

BALDWIN COUNTY, ALABAMA
HARRY D'OLIVE, JR. PROBATE JUDGE
Filed/cert. 7/ 8/2022 11:23 AM
TOTAL \$ 25.00
5 Pages

2010282

STATE OF ALABAMA)
COUNTY OF BALDWIN)



**TWELFTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS TWELFTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Twelfth Amendment") is made and entered into this 31 day of May, 2022 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "Second Amendment") dated October 3, 2014 and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Third Amendment") dated January 21, 2015 and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8, 2016 and recorded as Instrument No. 1613864 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Seventh Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Seventh Amendment") dated December 8, 2016 and recorded as Instrument No. 1613866 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Eighth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Eighth Amendment") dated November 16, 2017 and recorded as Instrument No. 1667368 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Ninth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Ninth Amendment") dated October 10, 2018 and recorded as Instrument No. 1726297 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Tenth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Tenth Amendment") dated March 29th 2019 and recorded as Instrument No. 1755036 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Eleventh Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Eleventh Amendment") dated May, 2022 and recorded as Instrument No. 1917312 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth

Amendment, Seventh Amendment, Eighth Amendment, Ninth Amendment, Tenth Amendment, and Eleventh Amendment, as follows:

1. **Lot Line Fencing.** Lots 235 through 237, inclusive, Lots 210 through 219, inclusive, and Lots 248 through 251, inclusive, of the Phase 6 Subdivision, as defined in the Declaration, as amended, and Lots 278 through 281, inclusive, of the Phase 7 Subdivision, as defined in the Declaration, as amended, shall have fencing along each such Lot's rear property line. The repair, maintenance, and replacement of the fencing on the rear property line of the above listed Lots shall be borne equally between the two lots sharing a rear property line. Lot 237 does not share a rear property line with any other Lot in the Phase 6 Subdivision and the Owner of such Lot shall be solely responsible for the repair, maintenance and replacements of the rear property line fencing of such Lot. In the event that repair, maintenance, or replacement of a rear lot line fence is in dispute as to the need for repair, maintenance or replacement, either or both of the subject Lot owners may request a determination by the Association and the determination of the Association as to what is needed shall be final. In the event a Lot owner fails or refuses to pay his or her share of the cost to repair, maintain or replace a shared fence, the Association, upon written notice to the non-paying Lot Owner, shall have the power and authority, but not the obligation, to advance the cost of such repair, maintenance or replacement and then place a lien on the Lot of the non-paying Owner for the costs advanced by the Association.

2. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, Seventh Amendment, Eighth Amendment, Ninth Amendment, Tenth Amendment and Eleventh Amendment, shall remain in full force and effect.

[ALL SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Developer has caused this Eleventh Amendment to be executed as of the day and year first written above.

DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: [Signature]

As its: Asst. Director of Real Estate Inv.

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: [Signature]

As its: Asst. Director of Real Estate Inv.

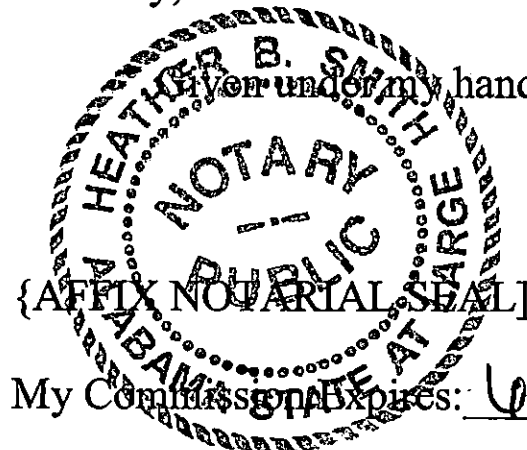
ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that Steve Timms, whose name as Assistant Dir of Real Estate of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Assistant Dir of Real Estate and with full authority, executed the same voluntarily for and as the act of said entity.

I, on my hand and official notarial seal this the 1 day of June, 2022.



[Signature]
Notary Public

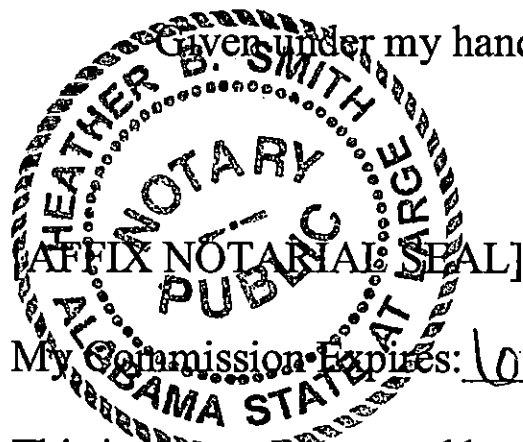
My Commission Expires: 6/8/2024

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that Steve Timms, whose name is Assistant Dir of Real Estate of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Assistant Dir of Real Estate and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 1 day of June, 2022.



Heather Smith
Notary Public

My Commission Expires: 6/8/2024

This instrument prepared by:

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 24290

Mobile, Alabama 36602

STATE OF ALABAMA)
COUNTY OF BALDWIN)

BALDWIN COUNTY, ALABAMA
HARRY D'OLIVE, JR. PROBATE JUDGE
Filed/cert. 5/27/2021 8:09 AM
TOTAL \$ 35.00
7 Pages

1917312



ELEVENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS ELEVENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Eleventh Amendment") is made and entered into this ____ day of May, 2021 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "Second Amendment") dated October 3, 2014 and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Third Amendment") dated January 21, 2015 and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8, 2016 and recorded as Instrument No. 1613864 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Seventh Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Seventh Amendment") dated December 8, 2016 and recorded as Instrument No. 1613866 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Eighth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Eighth Amendment") dated November 16, 2017 and recorded as Instrument No. 1667368 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Ninth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Ninth Amendment") dated October 10, 2018 and recorded as Instrument No. 1726297 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Tenth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Tenth Amendment") dated March 29th 2019 and recorded as Instrument No. 1755036 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, Seventh Amendment, Eighth Amendment, Ninth Amendment, and Tenth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-10"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration, as amended, and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, as amended, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in **Exhibit "A-10"** hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, the Ninth Amendment and the Tenth Amendment.

2. **Minimum Living Space and Height Limitations.** The Additional Property, as described on **Exhibit "A-10"**, is the same property which is the subject of (i) the subdivision re-plat for Battles Trace Phase 6 (the "Phase 6 Subdivision") which is recorded on Slide No. 2756-B (Inst. No. 1877708) of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Phase 6 Plat") and (ii) the subdivision re-plat for Battles Trace Phase 7 (the "Phase 7 Subdivision") which is recorded on Slide No. 2755-D (Inst. No. 1877691) of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Phase 7 Plat"). The Phase 6 Plat reflects the forty-five (45) residential lot Phase 6 Subdivision with ancillary Common Area. The Phase 7 Plat reflects the thirty-eight (38) residential lot Phase 7 Subdivision with ancillary Common Area. For Lots in the Phase 6 and Phase 7 Subdivisions, the Minimum Living Space for any Dwelling constructed on any such Lot shall be 1,250 square feet. The height of all Dwellings within the Phase 6 and Phase 7 Subdivisions shall be compatible with all other Dwellings adjacent to such Lot or Dwelling within the Phase 6 and/or Phase 7 Subdivisions. No Dwelling in the Phase 6 or Phase 7 Subdivisions shall exceed three (3) stories in height, as measured from the finished grade of such lot within the Phase 6 or Phase 7 Subdivision on the front of the Dwelling facing a street or roadway. Towers, decks and outside porches shall be subject to the foregoing height limitations. Chimneys and roof finials are not subject to the foregoing height limitations, provided they are approved by the ARC.

3. **Golf Course Lot Designation/Restrictions.** Lots 255 through 262, inclusive, and Lots 265 through 277, inclusive, are each designated as a Golf Course Lot, as defined in **Section 1.39** of the Declaration, as amended. Developer does hereby establish, grant, and reserve to the Golf Property Owner, its employees, agents, guests and invitees, the same easements as established under **Section 3.08** of the Declaration, as amended, with respect to each such Phase 7 Subdivision lot. Additionally, each of the above referenced Phase Seven Subdivision lots is hereby made subject to the same use restrictions as are set forth in **Section 3.09** of the Declaration, as amended, with respect to Golf Course Lots.

4. **Lot Line Fencing.** Lots 242 through 247, inclusive, and Lots 238 through 241, inclusive, of the Phase 6 Subdivision shall have fencing along each such Lot's rear property line. The repair, maintenance, and replacement of the fencing on the rear property line of the above listed Lots shall be borne equally between the two lots sharing a rear property line. Lots 242 and 243 do not share a rear

property line with any other Lot in the Phase 6 Subdivision and the Owner of each respective Lot shall be solely responsible for the repair, maintenance and replacements of the rear property line fencing of such Lot. In the event that repair, maintenance, or replacement of a rear lot line fence is in dispute as to the need for repair, maintenance or replacement, either or both of the subject Lot owners may request a determination by the Association and the determination of the Association as to what is needed shall be final. In the event a Lot owner fails or refuses to pay his or her share of the cost to repair, maintain or replace a shared fence, the Association, upon written notice to the non-paying Lot Owner, shall have the power and authority, but not the obligation, to advance the cost of such repair, maintenance or replacement and then place a lien on the Lot of the non-paying Owner for the costs advanced by the Association.

5. **Phase 6 Subdivision Garage/Carport Placement.** Notwithstanding anything contained in the Declaration, as the same may be amended from time to time, any Rules or Regulations promulgated by the Developer or the Association, or any standards promulgated by the Architectural Review Committee, Lots 238-247, inclusive, in the Phase 6 Subdivision shall be required to have rear access to any garage or carport constructed on such Lot. All other Rules, Regulations or standards applicable to said lots shall remain in full force and effect.

6. **Phase 5 Plats.** Any reference in the Declaration, or any amendments thereto, to the Phase 5 Plat shall mean and include the re-plat of the Phase 5 Subdivision as reflected in Slide 2755-B (Instrument No. 1877689).

7. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, Seventh Amendment, Eighth Amendment, Ninth Amendment and Tenth Amendment shall remain in full force and effect.

[ALL SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Developer has caused this Tenth Amendment to be executed as of the day and year first written above.

DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: [Signature]

As its: Asst. Director of Real Estate Inv.

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

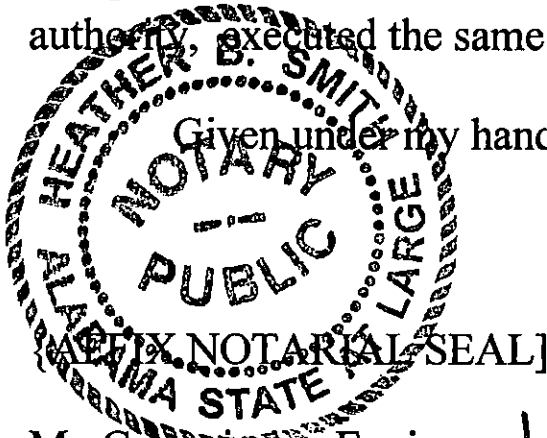
By: [Signature]

As its: Asst. Director of Real Estate Inv.

ACKNOWLEDGMENTS

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that Steve Timms, whose name as Asst. Dir of Real Estate of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Asst. Dir of Real Estate and with full authority, executed the same voluntarily for and as the act of said entity.



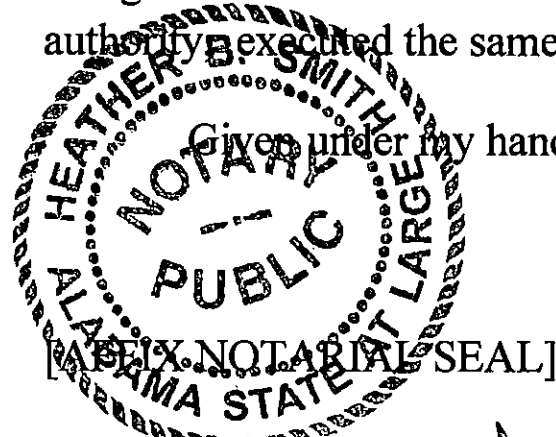
Given under my hand and official notarial seal this the 25 day of May, 2021.

[Signature]
Notary Public

My Commission Expires: 6/8/2024

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that
Steve Timms, whose name as Asst. Dir of Real Estate THE
EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama,
is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that,
being informed of the contents of said instrument, he/she, as Asst. Dir of Real Estate and with full
authority, executed the same voluntarily for and as the act of said entity.



Given under my hand and official notarial seal this the 25 day of May, 2021.

Heather Smith
Notary Public

My Commission Expires: 6/8/2024

This instrument prepared by:
James F. Watkins
Maynard Cooper & Gale PC
11 North Water Street, Suite 24290
Mobile, Alabama 36602

EXHIBIT A-10
Additional Property

(Phase 6 Property)

(Phase 7 Property)



STATE OF ALABAMA)

COUNTY OF BALDWIN)

**TENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS TENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Tenth Amendment") is made and entered into this 29th day of March, 2019 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

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Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8, 2016 and recorded as Instrument No. 1613864 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Seventh Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Seventh Amendment") dated December 8, 2016 and recorded as Instrument No. 1613866 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Eighth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Eighth Amendment") dated November 16, 2017 and recorded as Instrument No. 1667368 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Ninth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Ninth Amendment") dated October 10, 2018 and recorded as Instrument No. 1726297 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, Seventh Amendment, Eighth Amendment, and Ninth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-9"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration, as amended, and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, as amended, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the

Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in **Exhibit "A-9"** hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, and the Ninth Amendment.

2. **Minimum Living Space and Height Limitations.** The Additional Property, as described on Exhibit "A-9", is the same property which is the subject of the subdivision plat for Battles Trace Phase 5A and Battles Trace Phase 5B (the "Phase 5 Subdivision") which is recorded on Slide No. 2670-B and 2670-C (Inst. No. 1745005) of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Phase 5 Plat"). The Phase 5 Plat reflects the twenty-four (24) residential lot Phase 5A subdivision with ancillary Common Area and the fifty (50) residential lot Phase 5B subdivision with ancillary Common Area. With the exception of Lots 161-167 and Lots 169 – 174 of the Phase 5 Subdivision, the Minimum Living Space for any Dwelling constructed on a Lot in the Phase 5 Subdivision shall be 1,580 square feet. For Lots 161-167 and Lots 169-174 of the Phase 5 Subdivision, the Minimum Living Space for any Dwelling constructed on any such Lot shall be 2,265 square feet. The height of all Dwellings within the Phase 5 Subdivision shall be compatible with all other Dwellings adjacent to such Lot or Dwelling within the Phase 5 Subdivision. No Dwelling in the Phase 5 Subdivision shall exceed three (3) stories in height, as measured from the finished grade of such lot within the Phase 5 Subdivision on the front of the Dwelling facing a street or roadway. Towers, decks and outside porches shall be subject to the foregoing height limitations. Chimneys and roof finials are not subject to the foregoing height limitations, provided they are approved by the ARC.

3. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, Seventh Amendment, Eighth Amendment, and Ninth Amendment shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Developer has caused this Tenth Amendment to be executed as of the day and year first written above.

DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: _____

As its: _____

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: _____

As its: _____

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

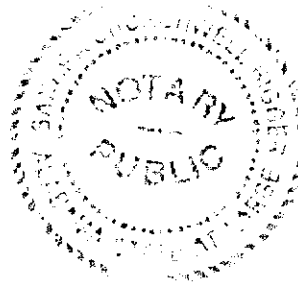
I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 29th day of March, 2019.

Sandra Churchill Biggs
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: 6-29-2022



STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that
David G. Bronner, whose name as secretary-treasurer of THE
EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama,
is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that,
being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full
authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 29th day of March, 2019.

Sandra Churchill Biggers
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: 6-29-2022

This instrument prepared by:
James F. Watkins
Maynard Cooper & Gale PC
11 North Water Street, Suite 24290
Mobile, Alabama 36602



EXHIBIT A-9
Additional Property

(Phase 5A Property)

A PORTION OF LOT 1, THE COLONY AT THE GRAND SUBDIVISION (REPLAT), AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2453-A IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 84, BATTLES TRACE AT THE COLONY PHASE 3, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2585-A, B & C IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN NORTH 00°03'47" EAST A DISTANCE OF 157.93 FEET TO A POINT; THENCE RUN SOUTH 89°55'57" EAST A DISTANCE OF 818.77 FEET TO A POINT; THENCE RUN SOUTH 00°04'02" WEST A DISTANCE OF 94.81 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 25.14 FEET, AN ARC LENGTH OF 28.19 FEET, A CHORD BEARING SOUTH 32°11'25" WEST, AND A CHORD DISTANCE OF 26.73 FEET TO A POINT; THENCE RUN EASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 68.07 FEET, AN ARC LENGTH OF 106.63 FEET, A CHORD BEARING SOUTH 70°28'24" EAST, AND A CHORD DISTANCE OF 96.06 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 28.15 FEET, A CHORD BEARING SOUTH 57°44'14" EAST, AND A CHORD DISTANCE OF 26.69 FEET TO A POINT; THENCE RUN SOUTH 22°14'08" EAST A DISTANCE OF 32.41 FEET TO A POINT; THENCE RUN SOUTH 00°04'02" WEST A DISTANCE OF 175.28 FEET TO A POINT; THENCE RUN SOUTH 12°25'44" WEST A DISTANCE OF 124.01 FEET TO A POINT; THENCE RUN WESTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 300.00 FEET, AN ARC LENGTH OF 231.55 FEET, A CHORD BEARING NORTH 68°37'18" WEST, AND A CHORD DISTANCE OF 225.84 FEET TO A POINT; THENCE RUN WESTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 1,372.11 FEET, AN ARC LENGTH OF 101.72 FEET, A CHORD BEARING NORTH 88°36'33" WEST, AND A CHORD DISTANCE OF 101.70 FEET TO A POINT; THENCE RUN NORTH 85°12'58" WEST A DISTANCE OF 60.77 FEET TO A POINT; THENCE RUN WESTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1,372.11 FEET, AN ARC LENGTH OF 533.17 FEET, A CHORD BEARING NORTH 72°48'55" WEST, AND A CHORD DISTANCE OF 529.82 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 37.00 FEET, AN ARC LENGTH OF 18.62 FEET, A CHORD BEARING NORTH 47°16'00" WEST, AND A CHORD DISTANCE OF 18.42 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 119.00 FEET, AN ARC LENGTH OF 22.99 FEET, A CHORD BEARING NORTH 38°23'06" WEST, AND A CHORD DISTANCE OF 22.96 FEET TO A POINT; THENCE RUN NORTH 57°44'44" WEST A DISTANCE OF 56.88 FEET TO A POINT; THENCE RUN EASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 15.61 FEET, A CHORD BEARING NORTH 78°36'45" EAST, AND A CHORD DISTANCE OF 14.92 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 116.51 FEET, AN ARC LENGTH OF 43.75 FEET, A CHORD BEARING NORTH 58°03'10" EAST, AND A CHORD DISTANCE OF 43.50 FEET TO THE POINT; OF BEGINNING.; SAID DESCRIBED PARCEL CONTAINING 7.65 ACRES, MORE OR LESS.

EXHIBIT A-9
CONTINUED

(Phase 5B Property)

A PORTION OF LOT 1, THE COLONY AT THE GRAND SUBDIVISION (REPLAT), AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2453-A IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF LOT 85, BATTLES TRACE AT THE COLONY PHASE 3, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2585-A, B & C IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 71°49'28" EAST A DISTANCE OF 186.75 FEET TO A POINT; THENCE RUN SOUTH 71°40'03" EAST A DISTANCE OF 10.40' FEET TO A POINT; THENCE RUN EASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1,420.76 FEET, AN ARC LENGTH OF 107.63 FEET, A CHORD BEARING SOUTH 74°02'47" EAST, AND A CHORD DISTANCE OF 107.60 FEET TO A POINT; THENCE RUN EASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1,421.15 FEET, AN ARC LENGTH OF 127.48 FEET, A CHORD BEARING SOUTH 78°46'50" EAST, AND A CHORD DISTANCE OF 127.44 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 87.00 FEET, AN ARC LENGTH OF 79.05 FEET, A CHORD BEARING SOUTH 55°19'13" EAST, AND A CHORD DISTANCE OF 76.36 FEET TO A POINT; THENCE RUN SOUTH 29°17'28" EAST A DISTANCE OF 134.35 FEET TO A POINT; THENCE RUN EASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 99.00 FEET, AN ARC LENGTH OF 174.31 FEET, A CHORD BEARING SOUTH 79°43'57" EAST, AND A CHORD DISTANCE OF 152.65 FEET TO A POINT; THENCE RUN NORTH 49°49'35" EAST A DISTANCE OF 63.89 FEET TO A POINT; THENCE RUN EASTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 91.00 FEET, AN ARC LENGTH OF 177.70 FEET, A CHORD BEARING SOUTH 74°13'54" EAST, AND A CHORD DISTANCE OF 150.78 FEET TO A POINT; THENCE RUN SOUTHERLY ALONG A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 250.00 FEET, AN ARC LENGTH OF 45.60 FEET, A CHORD BEARING SOUTH 13°03'53" EAST, AND A CHORD DISTANCE OF 45.53 FEET TO A POINT; THENCE RUN SOUTH 07°50'24" EAST A DISTANCE OF 480.78 FEET TO A POINT; THENCE RUN SOUTH 82°09'36" WEST A DISTANCE OF 5.59 FEET TO A POINT; THENCE RUN SOUTH 07°50'24" EAST A DISTANCE OF 299.54 FEET TO A POINT; THENCE RUN SOUTH 06°00'56" EAST A DISTANCE OF 55.39 FEET TO A POINT; THENCE RUN NORTH 85°33'20" WEST A DISTANCE OF 806.53 FEET TO A POINT; THENCE RUN NORTH 04°54'01" EAST A DISTANCE OF 107.49 FEET TO A POINT; THENCE RUN NORTH 10°49'58" WEST A DISTANCE OF 116.92 FEET TO A POINT; THENCE RUN NORTH 18°16'24" WEST A DISTANCE OF 150.59 FEET TO A POINT; THENCE RUN NORTH 08°02'36" WEST A DISTANCE OF 214.78 FEET TO A POINT; THENCE RUN NORTH 20°06'15" WEST A DISTANCE OF 83.24 FEET TO A POINT; THENCE RUN NORTH 78°33'40" WEST A DISTANCE OF 84.49 FEET TO A POINT; THENCE RUN SOUTH 82°13'18" WEST A DISTANCE OF 114.28 FEET TO A POINT; THENCE RUN NORTH 25°21'51" WEST A DISTANCE OF 238.51 FEET TO A POINT; THENCE RUN NORTH 45°38'37" EAST A DISTANCE OF 288.80 FEET TO A POINT; THENCE RUN NORTHERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 160.50 FEET, AN ARC LENGTH OF 40.88 FEET, A CHORD BEARING NORTH 12°52'07" EAST, AND A CHORD DISTANCE OF 40.77 FEET TO THE POINT OF BEGINNING.; SAID DESCRIBED PARCEL CONTAINING 19.93 ACRES, MORE OR LESS.

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 10/23/2018 4:01 PM
TOTAL \$ 28.00
6 Pages

1726297

STATE OF ALABAMA)
COUNTY OF BALDWIN)



**NINTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS NINTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Ninth Amendment") is made and entered into this 10th day of October, 2018 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "Second Amendment") dated October 3, 2014 and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Third Amendment") dated January 21, 2015 and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8, 2016 and recorded as Instrument No. 1613864 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Seventh Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Seventh Amendment") dated December 8, 2016 and recorded as Instrument No. 1613866 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Eighth Amendment to the Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Eighth Amendment") dated November 16, 2017 and recorded as Instrument No. 1667368 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, Seventh Amendment, and Eighth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-8"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration, as amended, and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, as amended, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in **Exhibit "A-8"** hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the

Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment and the Eighth Amendment.

2. **Golf Course Lot Designation/Restrictions.** The Additional Property, as described on Exhibit "A-8", is the same property which is the subject of the subdivision plat for Camellia at the Colony (the "Camellia Subdivision") which is recorded on Slide No. 2652-D (Inst. No. 1717645) of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Camellia Plat"). The Camellia Plat reflects a seven (7) lot residential subdivision with ancillary Common Area. Lots 1 through 7, inclusive, of the Camellia Subdivision (each a "Camellia Lot") are each designated as a Golf Course Lot, as defined in Section 1.39 of the Declaration, as amended. Developer does hereby establish, grant, and reserve to the Golf Property Owner, its employees, agents, guests and invitees, the same easements as established under Section 3.08 of the Declaration, as amended, with respect to each Camellia Lot. Additionally, each Camellia Lot is hereby made subject to the same use restrictions as are set forth in Section 3.09 of the Declaration, as amended, with respect to Golf Course Lots.

3. **Minimum Living Space and Height Limitations for Camellia Lots.** The Minimum Living Space for any Dwelling constructed on a Camellia Lot shall be 1,800 square feet. The height of all Dwellings within the Camellia Subdivision shall be compatible with all other Dwellings adjacent to such Lot or Dwelling within the Camellia Subdivision. No Dwelling in the Camellia Subdivision shall exceed three (3) stories in height, as measured from the finished grade of the Camellia Lot on the front of the Dwelling facing a street or roadway. Towers, decks and outside porches shall be subject to the foregoing height limitations. Chimneys and roof finials are not subject to the foregoing height limitations, provided they are approved by the ARC.

4. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, Seventh Amendment, and Eighth Amendment shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Developer has caused this Ninth Amendment to be executed as of the day and year first written above.

DEVELOPER:

THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama

By: [Signature]

As its: Assistant Director of Real Estate Investments

THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama

By: [Signature]

As its: Assistant Director of Real Estate Investments

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

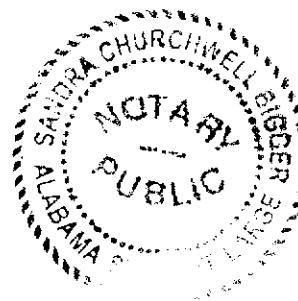
I, the undersigned Notary Public in and for said County, in said State, hereby certify that Steve Timms, whose name as Assistant Director ^{Real Estate} of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Assistant Dir. Real Estate and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 10th day of October, 2018.

[Signature]
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: 6-29-2022



STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that
Steve Timms, whose name as Assistant Dir. Real Estate of THE
EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama,
is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that,
being informed of the contents of said instrument, he/she, as Assistant Dir. Real Estate and with full
authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 10th day of October, 2018.

Sandra C. Biggen
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: 6-29-22

This instrument prepared by:
James F. Watkins
Maynard Cooper & Gale PC
11 North Water Street, Suite 27000
Mobile, Alabama 36602

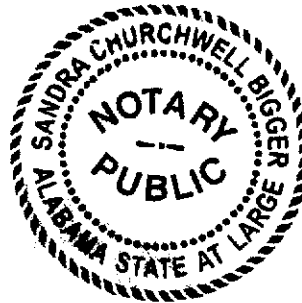


EXHIBIT A-8
Additional Property

(Camellia at the Colony)

A PORTION OF TAX PARCEL NUMBER 05-46-09-30-0-000-090.000 DESCRIBED WITHIN INSTRUMENT NUMBER 1024402 RECORDED IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHWEST CORNER OF LOT 1 OF WATERSHED SOUTH SUBDIVISION, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2534-C IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 87°15'50" EAST A DISTANCE OF 131.60 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604" ON THE WEST RIGHT-OF-WAY OF BATTLES ROAD; THENCE RUN SOUTH 00°09'28" EAST ALONG SAID WEST RIGHT-OF-WAY A DISTANCE OF 432.38 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604"; THENCE LEAVING SAID RIGHT-OF-WAY SOUTH 75°13'46" WEST A DISTANCE OF 98.70 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604"; THENCE RUN NORTH 38°08'30" WEST A DISTANCE OF 65.36 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604"; THENCE RUN NORTH 13°54'35" WEST A DISTANCE OF 60.01 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604"; THENCE RUN NORTH 00°09'28" WEST A DISTANCE OF 258.36 FEET TO A 1/2" IRON REBAR WITH CAP STAMPED "CA604"; THENCE RUN NORTH 10°48'48" EAST A DISTANCE OF 97.55 FEET TO THE POINT OF BEGINNING; SAID DESCRIBED PARCEL CONTAINING 1.49 ACRES, MORE OR LESS.

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 11/22/2017 7:55 AM
TOTAL \$ 25.00
5 Pages

1667368

STATE OF ALABAMA)
COUNTY OF BALDWIN)



**EIGHTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

**THIS EIGHTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS** (this "Eighth Amendment") is made and
entered into this 16th day of Nov, 2017 by The Teachers' Retirement System of Alabama, an
instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an
instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear
Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of
Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the
records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The
Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The
Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the
"Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate
of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the
same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of
Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and
recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand
Declaration of Covenants, Conditions and Restrictions (the "Second Amendment") dated October 3, 2014
and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County,
Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand
Declaration of Covenants, Conditions and Restrictions (the "Third Amendment") dated January 21, 2015
and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County,
Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8, 2016 and recorded as Instrument No. 1613864 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Seventh Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Seventh Amendment") dated December 8, 2016 and recorded as Instrument No. 1613866 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment and Seventh Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-7"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in **Exhibit "A-7"** hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment and the Seventh Amendment.

2. **Carport Allowance.** The Additional Property, as described on **Exhibit "A-7"**, is the same property which is the subject of the subdivision plat for Battles Trace at the Colony, Phase 4 (the "Phase 4 Subdivision") which is recorded on Slide No. 2614-C (Inst. No. 1660026) of the records

maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Phase 4 Plat"). With respect to Lots 110 – 136, inclusive, notwithstanding anything contained in the Declaration, as the same may be amended from time to time, any Rules and Regulations promulgated by the Developer or the Association, or any standards promulgated by the Architectural Review Committee, said lots shall be allowed to have carports behind the Dwelling located on such lot. All other aspects of the Declaration, the Rules and Regulations, and any standards of the Architectural Review Committee applicable to said lots shall remain in full force and effect.

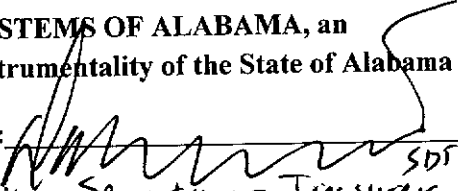
3. **Azalea at the Colony Amendments.** Pursuant to the Seventh Amendment, the Azalea Subdivision, as defined in the Seventh Amendment, was brought under the authority of the Declaration. The Azalea Plat, as defined in the Seventh Amendment, reflects six (6) residential lots in the Azalea Subdivision. Section 1.39 of the Declaration is hereby amended to include each of Lots 1 through 6, inclusive, of the Azalea Subdivision, as a Golf Course Lot. Developer does hereby establish, grant, and reserve to the Golf Property Owner, its employees, agents, guests and invitees, the same easements as established under Section 3.08 of the Declaration with respect to Lots 1 through 6 of the Azalea Subdivision. Additionally, Lots 1 through 6 of the Azalea Subdivision are hereby made subject to the same use restrictions as are set forth in Section 3.09 of the Declaration with respect to Golf Course Lots.

4. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, and the Seventh Amendment shall remain in full force and effect.

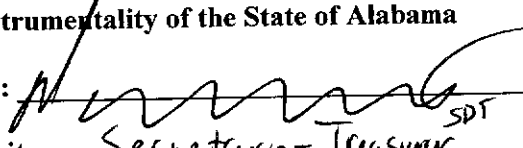
IN WITNESS WHEREOF, Developer has caused this Eighth Amendment to be executed as of the day and year first written above.

DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 
As its: Secretary-Treasurer SDT

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 
As its: Secretary-Treasurer SDT

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 16th day of November, 2017.

Sandra C. Bigger
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: _____

My Commission Expires 7/01/2018

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 16th day of November, 2017.

Sandra C. Bigger
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: _____

My Commission Expires 7/01/2018

This instrument prepared by:

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 27000

Mobile, Alabama 36602

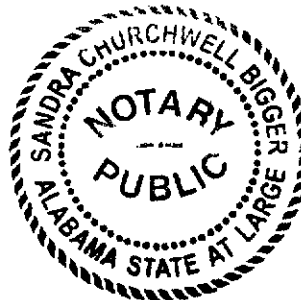


EXHIBIT A-7

Additional Property

(Battles Trace at the Colony, Phase 4)

A NORTHWEST PORTION OF LOT 1, THE COLONY AT THE GRAND SUBDIVISION (REPLAT), AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2453 IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF COMMON AREA "D", BATTLES TRACE PHASE 1, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2507-D IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN NORTH 90°00'00" WEST A DISTANCE OF 289.54 FEET TO A POINT; THENCE RUN NORTH 01°39'32" WEST A DISTANCE OF 47.83 FEET TO A POINT; THENCE RUN NORTH 78°43'35" WEST A DISTANCE OF 20.93 FEET TO A POINT; THENCE RUN NORTH 00°16'02" EAST A DISTANCE OF 16.88 FEET TO A POINT; THENCE RUN NORTH 89°49'56" WEST A DISTANCE OF 86.14 FEET TO A POINT; THENCE RUN NORTH 78°24'00" WEST A DISTANCE OF 18.35 FEET TO A POINT; THENCE RUN NORTH 03°23'06" WEST A DISTANCE OF 341.24 FEET TO A POINT; THENCE RUN SOUTH 89°47'36" EAST A DISTANCE OF 196.60 FEET TO A POINT; THENCE RUN NORTH 00°08'41" EAST A DISTANCE OF 434.97 FEET TO A POINT; THENCE RUN SOUTH 89°55'58" EAST A DISTANCE OF 478.57 FEET TO A POINT; THENCE RUN SOUTH 00°03'47" WEST A DISTANCE OF 140.14 FEET TO A POINT; THENCE RUN SOUTH 33°33'21" WEST A DISTANCE OF 20.35 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 114.93 FEET, AN ARC LENGTH OF 45.28 FEET, A CHORD BEARING SOUTH 42°31'32" EAST, AND A CHORD DISTANCE OF 44.99 FEET TO A POINT; THENCE RUN SOUTH 31°14'48" EAST A DISTANCE OF 24.01 FEET TO A POINT; THENCE RUN SOUTH 59°54'28" WEST A DISTANCE OF 30.01 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 28.49 FEET, A CHORD BEARING SOUTH 23°09'36" WEST, AND A CHORD DISTANCE OF 24.39 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 154.00 FEET, AN ARC LENGTH OF 173.41 FEET, A CHORD BEARING SOUTH 45°18'25" WEST, AND A CHORD DISTANCE OF 164.40 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 37.00 FEET, AN ARC LENGTH OF 13.42 FEET, A CHORD BEARING SOUTH 23°26'26" WEST, AND A CHORD DISTANCE OF 13.35 FEET TO A POINT; THENCE RUN SOUTHERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 488.00 FEET, AN ARC LENGTH OF 276.06 FEET, A CHORD BEARING SOUTH 17°37'39" WEST, AND A CHORD DISTANCE OF 272.39 FEET TO A POINT; THENCE RUN SOUTH 02°05'04" EAST A DISTANCE OF 59.68 FEET TO A POINT; THENCE RUN SOUTHERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 488.00 FEET, AN ARC LENGTH OF 149.76 FEET, A CHORD BEARING SOUTH 14°22'55" EAST, AND A CHORD DISTANCE OF 149.17 FEET TO A POINT; THENCE RUN SOUTH 84°13'21" WEST A DISTANCE OF 71.45 FEET TO THE POINT OF BEGINNING; SAID DESCRIBED PARCEL CONTAINING 8.61 ACRES, MORE OR LESS.

STATE OF ALABAMA)
COUNTY OF BALDWIN)

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 1/20/2017 3:10 PM
TOTAL \$ 21.00
5 Pages

1613866



SEVENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS SEVENTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this “Seventh Amendment”) is made and entered into this 8th day of Dec, 2016 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the “Developer”), as successor to Point Clear Partners, LLC, a Delaware limited liability company (“PCP”), pursuant to the Deed in Lieu of Foreclosure (the “Deed in Lieu”) dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the “Declaration”) which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the “First Amendment”) dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the “Second Amendment”) dated October 3, 2014 and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the “Third Amendment”) dated January 21, 2015 and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Sixth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Sixth Amendment") dated December 8th, 2016 and recorded as Instrument No. 1550684 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, and Sixth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-6"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in Exhibit A-6 hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment.

2. **Drainage Easement/Restrictions.** The Additional Property, as described on Exhibit "A-6", is the same property which is the subject of the subdivision plat for Azalea at the Colony (the "Azalea Subdivision") which is recorded on Slide No. 288DE of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Azalea Plat"). The Azalea Plat indicates a twenty (20) foot minimum building setback line and drainage easement area. The twenty (20) foot strip along the southeast boundary line of each Lot shown on the Azalea Plat (the area within the minimum setback) (the "Drainage Easement Area") is hereby made subject to, and the Developer hereby reserves to itself, its successors and assigns, an exclusive easement in favor of the Developer, its successors and assigns, for (i)

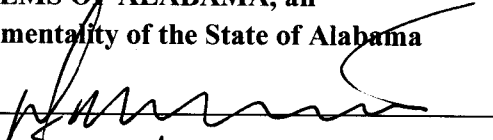
the installation and maintenance of drainage improvements over, under and across said twenty (20) foot strip and (ii) the installation, maintenance and repair of such retaining walls or other structures as Developer, its successors and assigns, shall deem necessary or appropriate, in its sole discretion. Other than the Developer, its successors or assigns, no one, including the owner of such Lot, shall build, construct, install, maintain, or place any improvement, of any kind, whether permanent or temporary, including but not limited to, buildings, structures, landscaping, paving, gravel, rocks, aggregate, decks, walkways, sidewalks, or stairs, in, on, over, or under the Drainage Easement Area, or take any other action which may alter the existing topography or change, alter in any way, or compromised the integrity of any retaining wall now or hereafter installed upon the Drainage Easement Area without the prior written consent of the Developer, its successors or assigns, which consent may be withheld for any reason whatsoever. Nothing herein shall prohibit the owner of any Lot subject to the easement reserved herein from access and enjoyment of the Drainage Easement Area located on such Lot except as specifically set forth herein. Developer, its successors or assigns, shall have the right, at any time, to remove any improvements placed within the Drainage Easement Area in violation of the Declaration and demand reimbursement for the same from such violating party. Each owner of a Lot which is burdened by the easement herein reserved shall be responsible for the maintenance and upkeep of the grass within the Drainage Easement Area.

3. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this Seventh Amendment to be executed as of the day and year first written above.

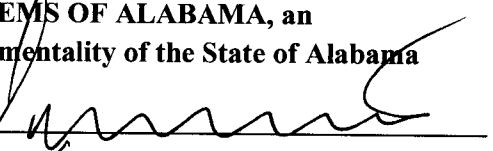
DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 

As its: Secretary - Treasurer SOT

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 

As its: Secretary - Treasurer SOT

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 8th day of Dec., 2016.

Sandra C. Biggen
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: _____ **My Commission Expires 7/01/2018**

My Commission Expires 7/01/2018

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 8th day of Dec., 2016.

Sandra C. Biggen
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: _____ **My Commission Expires 7/01/2018**

This instrument prepared by:

My Commission Expires 7/01/2018

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 27000

Mobile, Alabama 36602

EXHIBIT A-6

Additional Property

(Azalea at the Colony)

BEGINNING AT THE NORTHWEST CORNER OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, T6S-R2E, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°19'56" EAST A DISTANCE OF 632.12 FEET TO A POINT ON THE WEST RIGHT-OF-WAY OF COUNTY ROAD NO. 3 (A.K.A. SECTION STREET, 80' R/W); THENCE RUN SOUTH 00°02'56" EAST ALONG SAID RIGHT-OF-WAY A DISTANCE OF 300.20 FEET TO A POINT; THENCE LEAVING SAID RIGHT-OF-WAY RUN NORTH 89°58'53" WEST A DISTANCE OF 115.18 FEET TO A POINT; THENCE RUN NORTH 00°02'12" WEST A DISTANCE OF 43.07 FEET TO A POINT; THENCE RUN NORTH 48°52'57" WEST A DISTANCE OF 50.17 FEET TO A POINT; THENCE RUN NORTH 71°12'51" WEST A DISTANCE OF 104.93 FEET TO A POINT; THENCE RUN NORTH 57°36'07" WEST A DISTANCE OF 50.12 FEET TO A POINT; THENCE RUN NORTH 33°49'56" WEST A DISTANCE OF 68.45 FEET TO A POINT; THENCE RUN NORTH 57°03'10" WEST A DISTANCE OF 84.47 FEET TO A POINT; THENCE RUN NORTH 00°08'35" EAST A DISTANCE OF 55.35 FEET TO A POINT; THENCE RUN NORTH 89°19'56" WEST A DISTANCE OF 228.80 FEET TO A POINT; THENCE RUN NORTH 00°08'55" WEST A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING; SAID DESCRIBED PARCEL CONTAINING 1.97 ACRES, MORE OR LESS.

BALDWIN COUNTY, ALABAMA
TIM RUSSELL, PROBATE JUDGE
Filed/cert. 1/20/2017 3:08 PM
TOTAL \$ 27.00
7 Pages

1613864

STATE OF ALABAMA)
COUNTY OF BALDWIN)



**SIXTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

**THIS SIXTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS** (this “Sixth Amendment”) is made and entered
into this 8th day of Dec., 2016 by The Teachers' Retirement System of Alabama, an
instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an
instrumentality of the State of Alabama (collectively the “Developer”), as successor to Point Clear
Partners, LLC, a Delaware limited liability company (“PCP”), pursuant to the Deed in Lieu of
Foreclosure (the “Deed in Lieu”) dated June 28, 2013 and recorded as Instrument No. 1407039 of the
records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The
Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The
Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the
“Declaration”) which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate
of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the
same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of
Covenants, Conditions and Restrictions (the “First Amendment”) dated as of December 12, 2012 and
recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand
Declaration of Covenants, Conditions and Restrictions (the “Second Amendment”) dated October 3, 2014
and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County,
Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand
Declaration of Covenants, Conditions and Restrictions (the “Third Amendment”) dated January 21, 2015
and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County,
Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fifth Amendment to The Colony at the Grand Declarations of Covenants, Conditions and Restrictions (the "Fifth Amendment") dated January 5, 2016 and recorded as Instrument No. 1550683 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment and Fifth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-5"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in Exhibit A-5 hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment.

2. **Berm Easement/Restrictions.** The Additional Property, as described on Exhibit "A-5", is the same property which is the subject of the subdivision plat for Battles Trace at the Colony Phase 3 (the "Phase 3 Subdivision") which is recorded on Slide No. ~~258~~ 258A136 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama (the "Phase 3 Plat"). The shaded/cross-hatched areas shown on Lots 89-108 of the Phase 3 Plat (the "Berm Easement Area") are hereby made subject to, and the Developer hereby reserves to itself, its successors and assigns, an exclusive easement in favor of the Developer, its successors and assigns, for the protection and maintenance of the berm/dam adjacent to Lots 89-108 of the Phase 3 Subdivision. Other than the Developer, its successors or assigns, no one, including the owner of such Lot, shall build, construct, install, maintain, or place any improvement, of any kind, whether permanent or temporary, including but not limited to, buildings, structures, landscaping, paving, gravel, rocks, aggregate, decks, walkways, sidewalks, or stairs, in, on, over, or under the Berm Easement Area, or take any other action which may alter the existing berm or

compromised the integrity of the Berm Easement Area without the prior written consent of the Developer, its successors or assigns, which consent may be withheld for any reason whatsoever. Nothing herein shall prohibit the owner of any such Lot subject to the easement reserved herein from access and enjoyment of the Berm Easement Area located on such Lot except as specifically set forth herein. Developer, its successors or assigns, shall have the right, at any time, to remove any improvements placed within the Berm Easement Area in violation of the Declaration and demand reimbursement for the same from such violating party. Each owner of a Lot which is burdened by the easement herein reserved shall be responsible for the maintenance and upkeep of the grass within the Berm Easement Area.

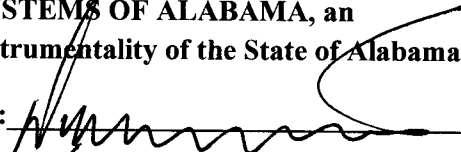
3. **Front Load Garage.** Notwithstanding anything contained in the Declaration, as the same may be amended from time to time, any Rules or Regulations promulgated by the Developer or the Association, or any standards promulgated by the Architectural Review Committee, Lots 90-107, inclusive, shall be allowed to have front loading garages with the garage doors visible from the street. All other Rules, Regulations or standards applicable to said lots shall remain in full force and effect.

4. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this Sixth Amendment to be executed as of the day and year first written above.

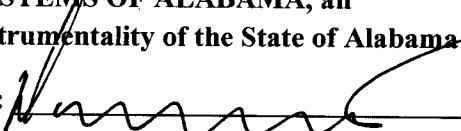
DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 
As its: Secretary-Treasurer

SJR

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama**

By: 
As its: Secretary-Treasurer

SJR

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 8th day of December, 2016.

Sandra C. Bigger
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: _____ My Commission Expires 7/01/2018

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary-Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 8th day of December, 2016.

Sandra C. Bigger
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: _____ My Commission Expires 7/01/2018

This instrument prepared by:

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 27000

Mobile, Alabama 36602

EXHIBIT A-5

Additional Property
(Battles Trace Phase III)

A PORTION OF LOT 1, THE COLONY AT THE GRAND SUBDIVISION (REPLAT), AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2453 IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 20, BATTLES TRACE PHASE 1, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2507-D IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN NORTH 25°56'38" WEST A DISTANCE OF 126.46 FEET TO A POINT; THENCE RUN NORTH 13°20'57" WEST A DISTANCE OF 326.16 FEET TO A POINT; THENCE RUN NORTH 90°00'00" EAST A DISTANCE OF 95.30 FEET TO A POINT; THENCE RUN NORTH 00°00'00" EAST A DISTANCE OF 526.90 FEET TO A POINT; THENCE RUN NORTH 84°13'21" EAST A DISTANCE OF 71.45 FEET TO A POINT; THENCE RUN NORTHERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 488.00 FEET, AN ARC LENGTH OF 149.76 FEET, A CHORD BEARING NORTH 14°22'55" WEST, AND A CHORD DISTANCE OF 149.17 FEET TO A POINT; THENCE RUN NORTH 02°05'04" WEST A DISTANCE OF 59.68 FEET TO A POINT; THENCE RUN NORTHERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 488.00 FEET, AN ARC LENGTH OF 276.06 FEET, A CHORD BEARING NORTH 17°37'39" EAST, AND A CHORD DISTANCE OF 272.39 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 37.00 FEET, AN ARC LENGTH OF 13.42 FEET, A CHORD BEARING NORTH 23°26'26" EAST, AND A CHORD DISTANCE OF 13.35 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 154.00 FEET, AN ARC LENGTH OF 173.41 FEET, A CHORD BEARING NORTH 45°18'25" EAST, AND A CHORD DISTANCE OF 164.40 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 28.49 FEET, A CHORD BEARING NORTH 23°09'36" EAST, AND A CHORD DISTANCE OF 24.39 FEET TO A POINT; THENCE RUN NORTH 59°54'28" EAST A DISTANCE OF 30.01 FEET TO A POINT; THENCE RUN NORTH 31°14'48" WEST A DISTANCE OF 18.15 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 115.00 FEET, AN ARC LENGTH OF 50.57 FEET, A CHORD BEARING NORTH 43°50'43" WEST, AND A CHORD DISTANCE OF 50.17 FEET TO A POINT; THENCE RUN NORTH 33°33'21" EAST A DISTANCE OF 22.72 FEET TO A POINT; THENCE RUN NORTH 00°03'47" EAST A DISTANCE OF 140.14 FEET TO A POINT; THENCE RUN SOUTH 89°55'58" EAST A DISTANCE OF 535.00 FEET TO A POINT; THENCE RUN SOUTH 00°03'47" WEST A DISTANCE OF 156.52 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 165.00 FEET, AN ARC LENGTH OF 44.40 FEET, A CHORD BEARING SOUTH 56°30'17" WEST, AND A CHORD DISTANCE OF 44.26 FEET TO A POINT; THENCE RUN WESTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 15.61 FEET, A CHORD BEARING SOUTH 78°36'45" WEST, AND A CHORD DISTANCE OF 14.92 FEET TO A POINT; THENCE RUN SOUTH 57°44'44" EAST A DISTANCE OF

56.88 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 119.00 FEET, AN ARC LENGTH OF 22.99 FEET, A CHORD BEARING SOUTH 38°23'06" EAST, AND A CHORD DISTANCE OF 22.96 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 37.00 FEET, AN ARC LENGTH OF 18.62 FEET, A CHORD BEARING SOUTH 47°16'00" EAST, AND A CHORD DISTANCE OF 18.42 FEET TO A POINT; THENCE RUN EASTERLY ALONG A COMPOUND CURVE TO THE LEFT HAVING A RADIUS OF 1372.11 FEET, AN ARC LENGTH OF 533.17 FEET, A CHORD BEARING SOUTH 72°48'55" EAST, AND A CHORD DISTANCE OF 529.82 FEET TO A POINT; THENCE RUN SOUTH 85°12'58" EAST A DISTANCE OF 60.77 FEET TO A POINT; THENCE RUN EASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1372.11 FEET, AN ARC LENGTH OF 101.72 FEET, A CHORD BEARING SOUTH 88°36'33" EAST, AND A CHORD DISTANCE OF 101.70 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 300.00 FEET, AN ARC LENGTH OF 434.03 FEET, A CHORD BEARING SOUTH 49°17'11" EAST, AND A CHORD DISTANCE OF 397.15 FEET TO A POINT; THENCE RUN SOUTH 07°50'24" EAST A DISTANCE OF 244.44 FEET TO A POINT; THENCE CONTINUE SOUTH 07°50'24" EAST A DISTANCE OF 60.00 FEET TO A POINT; THENCE CONTINUE SOUTH 07°50'24" EAST A DISTANCE OF 176.34 FEET TO A POINT; THENCE RUN SOUTH 82°09'36" WEST A DISTANCE OF 50.00 FEET TO A POINT; THENCE RUN NORTH 07°50'24" WEST A DISTANCE OF 176.34 FEET TO A POINT; THENCE CONTINUE NORTH 07°50'24" WEST A DISTANCE OF 60.00 FEET TO A POINT; THENCE CONTINUE NORTH 07°50'24" WEST A DISTANCE OF 244.44 FEET TO A POINT; THENCE RUN NORTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 250.00 FEET, AN ARC LENGTH OF 39.00 FEET, A CHORD BEARING NORTH 12°18'31" WEST, AND A CHORD DISTANCE OF 38.96 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A COMPOUND CURVE TO THE LEFT HAVING A RADIUS OF 106.00 FEET, AN ARC LENGTH OF 165.30 FEET, A CHORD BEARING NORTH 61°27'09" WEST, AND A CHORD DISTANCE OF 149.05 FEET TO A POINT; THENCE RUN WESTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 319.00 FEET, AN ARC LENGTH OF 244.61 FEET, A CHORD BEARING NORTH 84°09'38" WEST, AND A CHORD DISTANCE OF 238.66 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 69.00 FEET, AN ARC LENGTH OF 39.62 FEET, A CHORD BEARING NORTH 45°44'32" WEST, AND A CHORD DISTANCE OF 39.08 FEET TO A POINT; THENCE RUN NORTH 29°17'28" WEST A DISTANCE OF 31.70 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 87.00 FEET, AN ARC LENGTH OF 79.05 FEET, A CHORD BEARING NORTH 55°19'13" WEST, AND A CHORD DISTANCE OF 76.36 FEET TO A POINT; THENCE RUN WESTERLY ALONG A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 1422.11 FEET, AN ARC LENGTH OF 235.11 FEET, A CHORD BEARING NORTH 76°36'48" WEST, AND A CHORD DISTANCE OF 234.84 FEET TO A POINT; THENCE RUN NORTH 71°48'58" WEST A DISTANCE OF 197.15 FEET TO A POINT; THENCE RUN SOUTHERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 160.50 FEET, AN ARC LENGTH OF 40.88 FEET, A CHORD BEARING SOUTH 12°52'07" WEST, AND A CHORD DISTANCE OF 40.77 FEET TO A POINT; THENCE RUN SOUTH 45°38'37" WEST A DISTANCE OF 288.80 FEET TO A POINT; THENCE RUN NORTH 25°21'51" WEST A DISTANCE OF 109.69 FEET TO A POINT;

THENCE RUN NORTH 71°30'09" WEST A DISTANCE OF 159.64 FEET TO A POINT; THENCE RUN SOUTH 62°47'42" WEST A DISTANCE OF 159.66 FEET TO A POINT; THENCE RUN SOUTH 16°14'54" WEST A DISTANCE OF 175.97 FEET TO A POINT; THENCE RUN SOUTH 16°02'45" EAST A DISTANCE OF 176.10 FEET TO A POINT; THENCE RUN SOUTH 28°32'24" EAST A DISTANCE OF 123.38 FEET TO A POINT; THENCE RUN SOUTH 06°51'19" EAST A DISTANCE OF 403.45 FEET TO A POINT; THENCE RUN SOUTH 22°49'37" WEST A DISTANCE OF 245.32 FEET TO A POINT; THENCE RUN SOUTH 09°58'19" WEST A DISTANCE OF 86.31 FEET TO A POINT; THENCE RUN SOUTH 05°30'55" EAST A DISTANCE OF 129.23 FEET TO A POINT; THENCE RUN SOUTH 13°48'26" EAST A DISTANCE OF 116.55 FEET TO A POINT; THENCE RUN NORTH 89°37'01" WEST A DISTANCE OF 61.31 FEET TO A POINT; THENCE RUN NORTH 68°48'04" WEST A DISTANCE OF 144.76 FEET TO A POINT; THENCE RUN NORTH 46°50'25" WEST A DISTANCE OF 64.27 FEET TO A POINT; THENCE RUN SOUTH 68°10'17" WEST A DISTANCE OF 25.01 FEET TO THE POINT OF BEGINNING. SAID DESCRIBED BATTLES TRACE PHASE 3 CONTAINING 18.42 ACRES, MORE OR LESS.

STATE OF ALABAMA)
COUNTY OF BALDWIN)

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 1/ 8/2016 7:54 AM
TOTAL \$ 21.00
5 Pages

1550683



**FIFTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS FIFTH AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Fifth Amendment") is made and entered into this 5th day of January, 2016 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Second Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "Second Amendment") dated October 3, 2014 and recorded as Instrument No. 1480661 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Third Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Third Amendment") dated January 21, 2015

and recorded as Instrument No. 1516433 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer further amended the Declaration by Fourth Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions (the "Fourth Amendment") dated June 22, 2015 and recorded as Instrument No. 1526625 in the Office of the Judge of Probate of Baldwin County, Alabama

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, Second Amendment, Third Amendment, and Fourth Amendment, as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described on **Exhibit "A-4"** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens, and regulations set forth in the Declaration, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in Exhibit A-4 hereto and the original Property described in the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment.

2. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment shall remain in full force and effect.

[ALL SIGNATURES ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, Developer has caused this Fifth Amendment to be executed as of the day and year first written above.

DEVELOPER:

**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama** SOT

By: [Signature]

As its: CEO - Secretary / Treasurer

GRANTOR:

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA, an
instrumentality of the State of Alabama** SOT

By: [Signature]

As its: CEO - Secretary / Treasurer

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as CEO - Secretary / Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as CEO - Secretary / Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 5th day of January, 2015.

[Signature]
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: 07/01/2018

STATE OF ALABAMA)

COUNTY OF MONTGOMERY)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as CEO Secretary/Treasurer of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as CEO Secretary/Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 5th day of January, 2016.

Sandra C. Binger
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: 07/01/2018

This instrument prepared by:

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 27000

Mobile, Alabama 36602

EXHIBIT A-4

Additional Property

DESCRIPTION OF BATTLES TRACE AT THE COLONY - PHASE 2

A PORTION OF LOT 1, THE COLONY AT THE GRAND SUBDIVISION (REPLAT), AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2453-A IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 1, BATTLES TRACE AT THE COLONY, PHASE 1, AS SHOWN ON PLAT THEREOF RECORDED ON SLIDE 2507-D IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN NORTH 89°42'30" WEST ALONG THE SOUTH RIGHT-OF-WAY OF COLONY DRIVE A DISTANCE OF 40.00 FEET TO A POINT AT THE INTERSECTION OF SAID COLONY DRIVE RIGHT-OF-WAY AND THE EAST RIGHT-OF-WAY OF BATTLES ROAD; THENCE RUN NORTH 00°09'49" WEST ALONG SAID BATTLES ROAD RIGHT-OF-WAY A DISTANCE OF 80.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF COLONY DRIVE AND THE POINT OF BEGINNING; THENCE RUN NORTH 00°09'49" WEST ALONG SAID BATTLES ROAD RIGHT-OF-WAY A DISTANCE OF 575.95 FEET TO A POINT; THENCE LEAVING SAID RIGHT-OF-WAY RUN SOUTH 85°58'47" EAST A DISTANCE OF 191.97 FEET TO A POINT; THENCE RUN NORTH 81°46'37" EAST A DISTANCE OF 259.64 FEET TO A POINT; THENCE RUN NORTH 89°54'22" EAST A DISTANCE OF 85.21 FEET TO A POINT; THENCE RUN SOUTH 66°07'45" EAST A DISTANCE OF 60.96 FEET TO A POINT; THENCE RUN NORTH 76°57'44" EAST A DISTANCE OF 168.22 FEET TO A POINT; THENCE RUN NORTH 71°30'44" EAST A DISTANCE OF 97.99 FEET TO A POINT; THENCE RUN SOUTH 22°09'33" EAST A DISTANCE OF 111.15 FEET TO A POINT; THENCE RUN SOUTH 45°57'03" EAST A DISTANCE OF 25.60 FEET TO A POINT; THENCE RUN SOUTHERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 189.00 FEET, AN ARC LENGTH OF 270.96 FEET, A CHORD BEARING SOUTH 04°52'46" EAST, AND A CHORD DISTANCE OF 248.35 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF COLONY DRIVE AS SHOWN ON PLAT FOR BATTLES TRACE AT THE COLONY, PHASE 1, RECORDED ON SLIDE 2507-B IN PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN NORTH 45°06'39" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 28.38 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 21.10 FEET, AN ARC LENGTH OF 26.79 FEET, A CHORD BEARING SOUTH 64°52'49" WEST, AND A CHORD DISTANCE OF 25.03 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET, AN ARC LENGTH OF 37.54 FEET, A CHORD BEARING SOUTH 77°27'58" WEST, AND A CHORD DISTANCE OF 36.66 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 336.00 FEET, AN ARC LENGTH OF 254.14 FEET, A CHORD BEARING SOUTH 75°11'33" WEST, AND A CHORD DISTANCE OF 248.13 FEET TO A POINT; THENCE RUN SOUTH 53°31'26" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 261.06 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A CURVE TO THE RIGHT HAVING A RADIUS OF 184.00 FEET, AN ARC LENGTH OF 166.17 FEET, A CHORD BEARING SOUTH 79°23'47" WEST, AND A CHORD DISTANCE OF 160.58 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 196.00 FEET, AN ARC LENGTH OF 72.45 FEET, A CHORD BEARING NORTH 85°19'12" WEST, AND A CHORD DISTANCE OF 72.04 FEET TO A POINT; THENCE RUN NORTH 88°38'05" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 22.09 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 200.00 FEET, AN ARC LENGTH OF 47.37 FEET, A CHORD BEARING SOUTH 71°01'03" WEST, AND A CHORD DISTANCE OF 47.26 FEET TO A POINT; THENCE RUN SOUTH 64°13'58" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 33.39 FEET TO A POINT; THENCE RUN WESTERLY ALONG SAID NORTH RIGHT-OF-WAY AND A CURVE TO THE RIGHT HAVING A RADIUS OF 60.00 FEET, AN ARC LENGTH OF 27.29 FEET, A CHORD BEARING SOUTH 77°15'44" WEST, AND A CHORD DISTANCE OF 27.05 FEET TO A POINT; THENCE RUN NORTH 89°42'30" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 44.82 FEET TO THE POINT OF BEGINNING; SAID DESCRIBED PARCEL LYING WITHIN SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA, AND CONTAINING 9.75 ACRES, MORE OR LESS.

1343211

**THIRD AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF THE COLONY AT THE GRAND MASTER CONDOMINIUM**



THIS THIRD AMENDMENT TO DECLARATION OF CONDOMINIUM OF THE COLONY AT THE GRAND MASTER CONDOMINIUM (this "Amendment") is made and entered into as of the 6th day of June, 2012 by POINT CLEAR PARTNERS, LLC, a Delaware limited liability company ("Declarant").

RECITALS:

Declarant has heretofore caused certain real property owned by Declarant to be made subject to all of the terms and provisions of the Declaration of Condominium of The Colony at The Grand Master Condominium dated as of September 19, 2006 which has been recorded as Instrument Number 1003089, Pages 1 through 110 in the Office of the Judge of Probate of Baldwin County, Alabama (the "Probate Office"), as amended by First Amendment thereto dated February 14, 2007 and recorded as Instrument Number 1059396, Pages 1 through 7 in the aforesaid Probate Office and as further amended by Second Amendment thereto dated May 15, 2008 and recorded as Instrument Number 1116933, Pages 1 through 12 in the aforesaid Probate Office (collectively, the "Master Declaration"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Master Declaration.*

Declarant has determined that due to certain errors in the calls set forth in the legal description of the Property and in the Plans, the legal descriptions and Plans reflecting the Property and Common Elements set forth in Exhibits A and H to the Master Declaration should be amended, which amendments are authorized as Special Amendments pursuant to Section 12.01(e) of the Master Declaration. As provided in Section 12.01(e) of the Master Declaration, Special Amendments need not be consented to or approved by any Owner.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Master Declaration as follows:

1. Exhibit A attached to the Master Declaration is deleted in its entirety and Exhibit A attached to this Amendment is substituted in lieu thereof. From and after the date hereof, all references in the Master Declaration to the Property shall mean and refer to the real property described in Exhibit A attached to this Amendment.

2. Exhibit H attached to the Master Declaration is deleted in its entirety and Exhibit H attached to this Amendment is substituted in lieu thereof. From and after the date hereof, all references in the Master Declaration to the Plans shall mean and refer to the plans attached as Exhibit H to this Amendment.

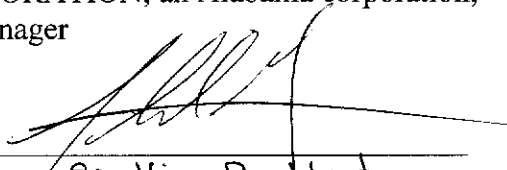
31

3. Except as expressly modified and amended herein, all of the terms and provisions of the Master Declaration shall continue in full force and effect and are hereby ratified, confirmed and approved.

IN WITNESS WHEREOF the undersigned have caused this Amendment to be executed as of the day and year first above written.

POINT CLEAR PARTNERS, LLC, a Delaware limited liability company

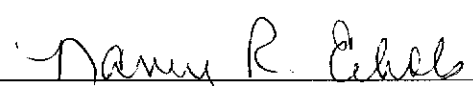
By: DANIEL MANAGEMENT CORPORATION, an Alabama corporation,
Its Manager

By: 
Its: Sr. Vice President

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John D. Gunderson, whose name as Sr. Vice President of Daniel Management Corporation, an Alabama corporation, as Manager of Point Clear Partners, 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 such officer and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as Manager of said limited liability company.

Given under my hand and official seal this 6th day of June, 2012.


Notary Public

[NOTARIAL SEAL]

My commission expires: 3-27-13

CONSENT OF MORTGAGEE

This Consent of Mortgagee (this "Consent") is made and entered into as of the 6th day of June, 2012 by **THE TEACHERS RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation, and **THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation (collectively, "Mortgagee").

RECITALS:

Mortgagee is the holder of that certain (a) Amended and Restated Future Advance Mortgage dated as of December 12, 2005 executed by Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), recorded as Instrument Number 941988 in the Office of the Judge of Probate of Baldwin County, Alabama (the "Probate Office"), as amended by First Amendment thereto dated as of September 19, 2006 and recorded as Instrument Number 1003093, Pages 1 through 8 in the aforesaid Probate Office, Second Amendment thereto dated as of March 16, 2007 and recorded as Instrument Number 1037944 in the aforesaid Probate Office and Third Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116934 in the aforesaid Probate Office (collectively, the "First Mortgage") and (b) Future Advance Mortgage dated September 27, 2006 (the "Additional Mortgage") executed by Bayview II Developer, LLC, an Alabama limited liability company, recorded as Instrument Number 1004412 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended by First Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116936 in the aforesaid Probate Office.

Both the First Mortgage and the Additional Mortgage encumber various real property including all of the Property, as defined and described in the Master Declaration (as defined below).

PCP has heretofore caused the Declaration of Condominium of The Colony at The Grand Master Condominium dated as of September 19, 2006 which has been recorded as Instrument Number 1003089, Pages 1 through 110 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended by First Amendment thereto dated February 14, 2007 and recorded as Instrument Number 1059396 in the aforesaid Probate Office, and as further amended by Second Amendment thereto dated May 15, 2008 and recorded as Instrument Number 1116933, Pages 1 through 12 in the aforesaid Probate Office (collectively, the "Master Declaration") to encumber certain real property situated in Baldwin County, Alabama which is also subject to and encumbered by the First Mortgage and the Additional Mortgage. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Master Declaration.*

This Consent is attached to and forms a part of that certain Third Amendment to Declaration of Condominium of The Colony at The Grand Master Condominium (the "Third Amendment") pursuant to which PCP and Bayview II have amended certain terms and provisions of the Master Declaration.

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that

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f. May

Notary Public

My Commission Expires:

1/18/15

This instrument prepared by
Stephen R. Monk
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, AL 35203-2104
(205) 521-8000

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY FORMING THE CONDOMINIUM

DESCRIPTION OF UNIT 2:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W, 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 239.25 FEET TO A POINT; THENCE RUN N-62°50'58"-W, 339.67 FEET TO A POINT; THENCE RUN N-06°06'48"-E, 375.00 FEET TO A POINT; THENCE RUN S-85°32'18"-E, 341.99 FEET TO THE POINT OF BEGINNING; CONTAINING 3.51± ACRES, MORE OR LESS.

DESCRIPTION OF COMMON ELEMENT:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 861.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 167.94 FEET TO A POINT; THENCE RUN N-00°09'10"-E, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 22.50 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 30.50 FEET, A DELTA ANGLE OF 81°56'59", A CHORD OF WHICH BEARS N-49°10'41"-E, 40.00 FEET, AN ARC DISTANCE OF 43.62 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 350.00 FEET, A DELTA ANGLE OF 08°37'39", A CHORD OF WHICH BEARS N-12°31'00"-E, 52.65 FEET, AN ARC DISTANCE OF 52.70 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 300.00 FEET, A DELTA ANGLE OF 50°22'01", A CHORD OF WHICH BEARS N-42°00'50"-E, 255.31 FEET, AN ARC DISTANCE OF 263.72 FEET TO A POINT; THENCE RUN N-67°11'50"-E, 79.25 FEET

TO A POINT; THENCE RUN N-64°54'24"-E, 66.06 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 270.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS N-39°16'28"-E, 233.60 FEET, AN ARC DISTANCE OF 241.58 FEET TO A POINT; THENCE RUN N-13°38'32"-E, 340.00 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET, A DELTA ANGLE OF 21°28'50", A CHORD OF WHICH BEARS N-02°54'07"-E, 324.26 FEET, AN ARC DISTANCE OF 326.17 FEET TO A POINT; THENCE RUN N-07°50'18"-W, 299.54 FEET TO A POINT; THENCE RUN N-82°09'42"-E, 60.00 FEET TO A POINT; THENCE RUN S-07°50'18"-E, 299.54 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 930.00 FEET, A DELTA ANGLE OF 21°28'50", A CHORD OF WHICH BEARS S-02°54'07"-W, 346.63 FEET, AN ARC DISTANCE OF 348.66 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 340.00 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 330.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS S-39°16'28"-W, 285.51 FEET, AN ARC DISTANCE OF 295.26 FEET TO A POINT; THENCE RUN S-64°54'24"-W, 66.06 FEET TO A POINT; THENCE RUN S-62°36'57"-W, 26.62 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 292.89 FEET, A DELTA ANGLE OF 49°38'57", A CHORD OF WHICH BEARS S-38°24'50"-W, 245.94 FEET, AN ARC DISTANCE OF 253.80 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 34.50 FEET, A DELTA ANGLE OF 104°18'56", A CHORD OF WHICH BEARS S-37°41'22"-E, 54.49 FEET, AN ARC DISTANCE OF 62.81 FEET TO A POINT; THENCE RUN S-00°09'10"-W, 18.50 FEET TO THE POINT OF BEGINNING; CONTAINING 2.63 ACRES, MORE OR LESS

EXHIBIT H

PLANS

See Attached.

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 10/ 9/2014 8:02 AM
TOTAL \$ 24.00
6 Pages

1480661

STATE OF ALABAMA)

COUNTY OF BALDWIN)



**SECOND AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS SECOND AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Second Amendment") is made and entered into this 3rd day of October, 2014 by The Teachers' Retirement System of Alabama, an instrumentality of the State of Alabama, and The Employees' Retirement System of Alabama, an instrumentality of the State of Alabama (collectively the "Developer"), as successor to Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), pursuant to the Deed in Lieu of Foreclosure (the "Deed in Lieu") dated June 28, 2013 and recorded as Instrument No. 1407039 of the records maintained in the Office of the Judge of Probate of Baldwin County, Alabama.

RECITALS:

PCP, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument No. 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

PCP amended the Declaration by First Amendment to The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of December 12, 2012 and recorded as Instrument No. 1373962 in the Office of the Judge of Probate of Baldwin County, Alabama.

Developer, as successor Developer pursuant to the assignment of declarant rights contained in the Deed in Lieu, has the sole right to amend the Declaration prior to the Turnover Date, which has not yet occurred.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which

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are hereby acknowledged, Developer does hereby amend the Declarations, as amended by the First Amendment, as follows:

1. **Removal of Certain Property.** Pursuant to the terms and provisions of Section 2.07 of the Declaration, Developer does hereby declare that Lots 1A-C and 1A-D of The Colony at The Grand Subdivision, Phase 1A (Replat 2) (the "Removed Lots"), according to the plat thereof recorded on Slide 2502-D (Instrument No. 1444678) in the Office of the Judge of Probate of Baldwin County, Alabama shall be, and hereby are, removed from the terms and provisions of the Declaration and that the Removed Lots shall not be subject to any of the terms or provisions of the Declaration. To the extent necessary, Exhibit A of the Declaration and Exhibit A-1 of the First Amendment shall be amended to exclude the Removed Lots therefrom.

2. **Amendments to Declaration.** The Declaration is hereby amended as follows:

(a) The first sentence of Section 8.01 is hereby deleted and replaced with the following:

Each Owner of a Lot and each Owner of a Dwelling, by acceptance of a deed or other instrument conveying any interest therein, regardless of whether such deed or instrument contains a reference to this Declaration, is hereby deemed to covenant and agree to pay to the Association (a) Annual Assessments, as established and to be collected as provided in Section 8.03 below, (b) Special Assessments, to be established and collected as provided in Section 8.04 below, (c) Individual Assessments which are established or assessed pursuant to Section 8.05 below, and (d) Amenities Assessments, as established and to be collected as provided in Section 8.13 below.

(b) Section 8.02 of the Declaration is hereby amended to include the following subsection (c):

(c) The Amenities Assessment, as described in Section 8.13 below, shall be assessed against each Lot or Dwelling in an amount necessary to pay the required consideration under any contract or agreement entered into between the Association and PCH Hotels & Resorts, Inc. ("PCH"), or its successors or assigns, for use by Owners of a Lot or Dwelling of the Club Facilities, as hereinafter defined. Notwithstanding the foregoing, if a Dwelling is part of a Multi-Family Building and is subject to a Sub-Declaration which establishes a separate Sub-Association, a Dwelling in such Multi-Family Building shall not be subject to an Amenities Assessment hereunder but shall be subject to any assessment levied by the governing Sub-Association for such Dwelling in the event such Sub-Association enters into a contract or agreement for use and enjoyment of the Club Facilities, as hereinafter defined, owned or operated by PCH, or its successors or assigns. Each Owner of a Lot or Dwelling, by acceptance of a deed to such Lot or Dwelling, acknowledges and agrees that the Amenities Assessment payable by such Owner is subject to change, modification, increase, decrease or termination, respectively, in the event that the terms and conditions of any agreement or contract with PCH, or its successor or assign, shall be modified, changed, amended or terminated by the Association and/or PCH.

(c) Section 8.12 of the Declaration is hereby deleted in its entirety and replaced with the following:

8.12 **Exemptions From Assessments.**

(a) Notwithstanding anything provided in this Declaration to the contrary, the following portions of the Property shall be exempt from the payment of Annual Assessments, Special Assessments and/or Amenities Assessments, as hereinafter defined:

- (i) Any and all Common Areas and any other real property owned by Developer which is considered by Developer to be Common Area;
- (ii) Any portion of the Property which is owned by any Government Authority or public utility company; and
- (iii) Any other portion of the Property (and any Lots or Dwellings thereon) which Developer or the Board may from time to time designate as being exempt from payment of Annual Assessments, Special Assessments, and/or Amenities Assessments.

Developer may also grant to any Lots or Dwellings partial exemptions with respect to the payment of Annual Assessments, Special Assessments and/or Amenities Assessments.

(b) To the extent any portion of the Property is exempt, in whole or part, from Annual Assessment and Special Assessments, then such portion of the Property so exempt shall, except as provided below, not be entitled to any voting rights in the Association. Notwithstanding the foregoing provisions of this Section 8.12(b) to the contrary, Developer shall have the voting rights attributable to any Lots or Dwellings owned by Developer irrespective of the same being exempt from Annual Assessments and Special Assessments.

(c) Notwithstanding anything provided in this Declaration to the contrary, any Dwelling in a Multi-Family Building which is subject to a Sub-Declaration and governed by a Sub-Association shall be exempt from the Amenities Assessment established hereunder unless specifically made subject to such Amenities Assessment by amendment hereto. A Sub-Association governing any Multi-Family Building which is a part of the Property may enter into such contracts or agreements with PCH, its successors or assigns, for use of the Club Facilities, as hereinafter defined, by the Owners of Dwellings in such Multi-Family Building and such Sub-Association shall levy assessments on its Sub-Association Members as may be necessary to pay the cost of providing access to the Club Facilities, as hereinafter defined.

(d) Section 8.13 is hereby added to the Declaration:

8.13 **Amenities Assessments.**

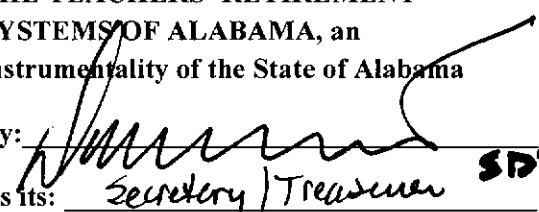
- (a) The Board may, in its sole discretion, at any time and from time to time, cause the Association to enter into contracts or agreements with PCH, its successors or assigns, to allow access to, and the use of, the Lakewood Club facilities. The Lakewood Club facilities (the "Club Facilities") include two (2) 18-hole golf courses (commonly known as the "Dogwood" and "Azalea" courses) with related practice facilities and a clubhouse, together with swimming pools, a pool clubhouse, a fitness center, eating/dining facilities, a beach area, tennis courts and a walking path around an approximately 20-acre lake. The Association does not own any of the Club Facilities. PCH operates the Club Facilities for use by those persons (individually a "Club Member" and collectively the "Club Members") to whom PCH has granted membership rights in the Lakewood Club, subject to and conditioned upon the compliance with the payment of fees and dues and the other rules and regulations promulgated from time to time by PCH, its successors and assigns, concerning such usage rights, fees and dues.
- (b) In addition to the Annual Assessments authorized in Section 8.03 above, Special Assessments authorized in Sections 8.04 above, and 9.01(b) and 9.03(a)(i) below, and any Individual Assessments authorized in Section 8.05 above, the Board shall levy an Amenities Assessment against each Lot or Dwelling in sufficient amounts as are necessary to pay the costs associated with providing the Owners access to the Club Facilities. The Amenities Assessment may be payable monthly, quarterly, or annually at the discretion of the Board. In all instances, use of the Club Facilities shall be subject to the rules, regulations and fee schedules established by PCH, its successors and assigns.
- (c) Amenities Assessments will not be reduced or changed if: (1) an Owner does not become a Club Member, (ii) an Owner who is a Club Member ceases being a Club Member for any reason, or (iii) an Owner does not use any or all of the Club Facilities. By accepting a deed to a Lot or Dwelling an Owner agrees to pay the Amenities Assessment, as the same may be established by the Board from time to time, for so long as the Association provides such Owner the ability to access the Club Facilities, subject to the rules and regulations established by PCH, its successors and assigns.
- (d) In addition to the Amenities Assessment, if an Owner becomes a Club Member, such Owner shall be obligated to (i) pay to PCH or its designee all monthly charges and fees incurred by such Owner becoming due and payable with respect to the Owner being a Club Member (other than any monthly dues which shall be paid by the Association and assessed to the Owner) and any Club Member assessments which may be levied by PCH and (ii) comply with all rules and regulations promulgated from time to time by PCH, its successors and assigns, with respect to the use of the Club Facilities by a Club Member.

3. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration, as amended by the First Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this Second Amendment to be executed as of the day and year first written above.

DEVELOPER:

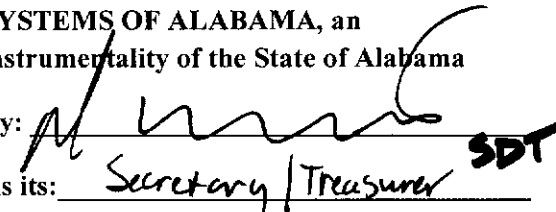
**THE TEACHERS' RETIREMENT
SYSTEMS OF ALABAMA**, an
instrumentality of the State of Alabama

By: 

As its: Secretary / Treasurer **SDT**

GRANTOR:

**THE EMPLOYEES' RETIREMENT
SYSTEMS OF ALABAMA**, an
instrumentality of the State of Alabama

By: 

As its: Secretary / Treasurer **SDT**

ACKNOWLEDGMENTS

STATE OF ALABAMA)

COUNTY OF BALDWIN)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, CEO, whose name as Secretary / Treasurer of THE TEACHERS' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary / Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 3rd day of October, 2014.

Sandra Churchill Bigger
Notary Public

{AFFIX NOTARIAL SEAL}

My Commission Expires: My Commission Expires 7/01/2018

STATE OF ALABAMA)

COUNTY OF BALDWIN)

I, the undersigned Notary Public in and for said County, in said State, hereby certify that David G. Bronner, CEO, whose name as Secretary / Treasurer of THE EMPLOYEES' RETIREMENT SYSTEMS OF ALABAMA, an instrumentality of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as Secretary / Treasurer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official notarial seal this the 3rd day of October, 2014.

Sandra Churchill Bigger
Notary Public

{AFFIX NOTARIAL SEAL} My Commission Expires 7/01/2018

My Commission Expires: _____

This instrument prepared by:

James F. Watkins

Maynard Cooper & Gale PC

11 North Water Street, Suite 27000

Mobile, Alabama 36602

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STATE OF ALABAMA)
 :
COUNTY OF BALDWIN)



**FIRST AMENDMENT TO THE COLONY AT THE GRAND DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS FIRST AMENDMENT TO THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "First Amendment") is made and entered into as of the 12th day of December, 2012 by **POINT CLEAR PARTNERS, LLC**, a Delaware limited liability company ("Developer").

RECITALS:

Developer, Bayview II Developer, LLC, an Alabama limited liability company, and The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of June 6, 2012 (the "Declaration") which has been recorded as Instrument 1343219 in the Office of the Judge of Probate of Baldwin County, Alabama. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

Developer is the owner of that certain real property (the "Additional Property") situated in Baldwin County, Alabama which is more particularly described in **Exhibit A-1** attached hereto and incorporated herein by reference.

Pursuant to Section 2.02 of the Declaration, Developer has the sole and exclusive right to submit the Additional Property to all of the terms and provisions of the Declaration.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer does hereby amend the Declaration as follows:

1. **Additional Property.** Pursuant to the terms and provisions of Section 2.02 of the Declaration, Developer does hereby declare that the Additional Property described in **Exhibit A-1** hereto shall be, and hereby is, submitted to all of the terms and provisions of the Declaration and that the Additional Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to all of the easements, covenants, conditions, restrictions, Assessments, charges, liens and regulations set forth in the Declaration, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Additional Property and their respective heirs, executors, administrators, personal representatives, successors and assigns. From and after the date hereof, all references in the Declaration to the Property shall mean and include the Additional Property described in **Exhibit A-1** hereto and the original Property described in the Declaration.

2. **Full Force and Effect.** Except as specifically modified and amended herein, all of the terms and conditions of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this First Amendment to be executed as of the day and year first above written.

DEVELOPER:

POINT CLEAR PARTNERS, LLC, a Delaware liability company

By: Daniel Realty Corporation, an Alabama corporation, Its Manager

By: Anne M. Wyatt
Its: Vice President

STATE OF ALABAMA)
 :
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that Anne M. Wyatt, whose name as Vice President of DANIEL REALTY CORPORATION, an Alabama corporation, as Manager of POINT CLEAR PARTNERS, 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 such officer and with full authority, executed the same voluntarily for and as the act of such corporation in its capacity as Manager of the aforesaid limited liability company.

Given under my hand and official seal this the 12th day of December, 2012.

Nancy R. Echols
Notary Public
My Commission Expires: 3-27-13

[NOTARIAL SEAL]

This instrument prepared by and upon recording should be returned to:
Stephen R. Monk, Esq.
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, AL 35203

CONSENT OF MORTGAGEE

This Consent of Mortgagee (this "Consent") is made and entered into as of the 12th day of December, 2012 by **THE TEACHERS RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation, and **THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation (collectively, "Mortgagee").

RECITALS:

Mortgagee is the holder of that certain (a) Amended and Restated Future Advance Mortgage dated as of December 12, 2005 executed by Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), recorded as Instrument Number 941988, pages 1 through 38 in the Office of the Judge of Probate of Baldwin County, Alabama (the "Probate Office"), as amended by First Amendment thereto dated as of September 19, 2006 and recorded as Instrument Number 1003093, pages 1 through 8, in the Probate Office, as further amended by Second Amendment thereto dated as of March 16, 2007 and recorded as Instrument Number 1037944, pages 1 through 5, in the Probate Office, as further amended by Third Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116934, pages 1 through 8, in the Probate Office, and as further amended by Fourth Amendment thereto dated Jun 6, 2012 and recorded as instrument 1343227, pages 1 through 9, in the Probate Office (collectively, the "First Mortgage") and (b) Future Advance Mortgage dated September 27, 2006 executed by Bayview II Developer, LLC, an Alabama limited liability company ("Bayview II"), recorded as Instrument Number 1004412, pages 1 through 40 in the Probate Office, as amended by First Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116936, pages 1 through 6, in the Probate Office and as further amended by Second Amendment thereto dated June 6, 2012 and recorded as Instrument 1343228, pages 1 through 6, in the Probate Office (collectively, the "Additional Mortgage").

Both the First Mortgage and the Additional Mortgage (collectively, the "Mortgage") encumber all of the Property, as defined and described in the Declaration (as defined below).

PCP, Bayview II and The Colony at the Grand Owners' Association, Inc. (with the consent and approval of Mortgagee) have heretofore executed The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated June 12, 2012 (the "Declaration"), which has been recorded as Instrument 1343219 in the Probate Office. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

Mortgagee desires to consent to the execution and delivery by PCP of the First Amendment to The Colony at the Grand Declaration of Covenants, Conditions and Restrictions dated as of the date hereof (the "First Amendment"), to which is Consent is attached.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagee does hereby consent to the execution of the First Amendment which modifies and amends the Declaration and agrees to be bound by all of the terms and provisions of the First Amendment.

STATE OF ALABAMA

)

:

COUNTY OF MONTGOMERY

)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David L. Adams Brainerd, whose name as CEO of THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama formed as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 4 day of December, 2012.

Alison H. Weisbord

Notary Public

[NOTARIAL SEAL]

My Commission Expires:

1/18/15

EXHIBIT A-1

Additional Property

BATTLES TRACE AT THE COLONY PHASE 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1A, THE COLONY AT THE GRAND, PHASE 1A, REPLAT AS RECORDED AS SLIDE ~~2477-A~~ IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA; THENCE RUN N89°50'05"W, ALONG SAID NORTH RIGHT-OF-WAY LINE 1390.20 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG SAID RIGHT-OF-WAY LINE AND A CURVE TO THE RIGHT HAVING A RADIUS OF 49.95 FEET, A DELTA ANGLE OF 89°34'27", THE CHORD OF WHICH BEARS S45°05'11"E, 70.38 FEET, AN ARC DISTANCE OF 78.09 FEET TO A POINT; THENCE RUN N00°09'49"W, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID BATTLES ROAD 652.86 FEET TO A POINT; THENCE RUN N89°42'30"E, LEAVING SAID EAST RIGHT-OF-WAY LINE 44.82 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 60.00 FEET, A DELTA ANGLE OF 26°03'32", THE CHORD OF WHICH BEARS N77°15'44"E, 27.05 FEET, AN ARC DISTANCE OF 27.29 FEET TO A POINT; THENCE RUN N64°13'58"E, 33.39 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 200.00 FEET, A DELTA ANGLE OF 13°52'16", THE CHORD OF WHICH BEARS S71°10'06"W, 48.30 FEET, AN ARC DISTANCE OF 48.42 FEET TO A POINT; THENCE RUN S87°33'29"E, 20.05 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 196.00 FEET, A DELTA ANGLE OF 21°28'40", THE CHORD OF WHICH BEARS N85°28'11"W, 73.04 FEET, AN ARC DISTANCE OF 73.47 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 184.00 FEET, A DELTA ANGLE OF 51°44'43", THE CHORD OF WHICH BEARS N79°23'47"E, 160.58 FEET, AN ARC DISTANCE OF 166.17 FEET TO A POINT; THENCE RUN N53°31'26"E, 261.06 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 336.00 FEET, A DELTA ANGLE OF 47°59'19", THE CHORD OF WHICH BEARS N77°31'05"E, 273.27 FEET, AN ARC DISTANCE OF 281.42 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 50.00 FEET, A DELTA ANGLE OF 21°41'45", THE CHORD OF WHICH BEARS N70°35'22"E, 18.82 FEET, AN ARC DISTANCE OF 18.93 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 24.00 FEET, A DELTA ANGLE OF 60°00'00", THE CHORD OF WHICH BEARS N51°26'15"E, 24.00 FEET, AN ARC DISTANCE OF 25.13 FEET TO A POINT; THENCE RUN S68°33'45"E, 26.00 FEET TO A POINT; THENCE RUN N21°26'15"E, 36.61 FEET TO A POINT; THENCE RUN NORTHWESTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 188.00 FEET, A DELTA ANGLE OF 67°23'18", THE CHORD OF WHICH BEARS N12°15'24"W, 208.59 FEET, AN ARC DISTANCE OF 221.12 FEET TO A POINT; THENCE RUN N45°57'03"W, 118.78 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 137.00 FEET, A DELTA ANGLE OF 34°29'24", THE CHORD OF WHICH BEARS N28°42'22"W,

81.23 FEET, AN ARC DISTANCE OF 82.47 FEET TO A POINT; THENCE RUN N01°39'32"W, 400.34 FEET TO A POINT; THENCE RUN EAST 259.53 FEET TO A POINT; THENCE RUN SOUTH 526.90 FEET TO A POINT; THENCE RUN WEST 95.30 FEET TO A POINT; THENCE RUN S13°20'57"E, 326.16 FEET TO A POINT; THENCE RUN S25°56'38"E, 126.46 FEET TO A POINT; THENCE RUN S68°10'17"W, 14.99 FEET TO A POINT; THENCE RUN S21°49'43"E, 131.22 FEET TO A POINT; THENCE RUN S45°07'54"W, 102.03 FEET TO A POINT; THENCE RUN S01°33'41"E, 67.92 FEET TO A POINT; THENCE RUN S40°52'11"W, 36.69 FEET TO A POINT; THENCE RUN S13°58'00"W, 118.90 FEET TO A POINT; THENCE RUN S65°42'52"W, 51.25 FEET TO A POINT; THENCE RUN S20°29'30"E, 129.23 FEET TO A POINT; THENCE RUN S31°38'49"E, 93.51 FEET TO A POINT; THENCE RUN S66°19'37"E, 92.93 FEET TO A POINT; THENCE RUN S77°26'47"E, 48.48 FEET TO A POINT; THENCE RUN S82°46'59"E, 90.68 FEET TO A POINT; THENCE RUN N81°07'08"E, 90.62 FEET TO A POINT; THENCE RUN S68°24'20"E, 116.18 FEET TO A POINT; THENCE RUN S00°06'59"E, 105.31 FEET TO THE POINT OF BEGINNING, CONTAINING 24.28 ACRES, MORE OR LESS.

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

2006 September-22 1:36PM

Instrument Number 1003089 Pages 110
Recording 330.00 Mortgage
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Index 5.00
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Adrian I. Johns, Judge of Probate

DECLARATION OF CONDOMINIUM

OF

THE COLONY AT THE GRAND MASTER CONDOMINIUM

1003089

*This instrument prepared by and
upon recording should be returned to:*
Stephen R. Monk, Esq.
Bradley Arant Rose & White LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203
(205) 521-8429

**DECLARATION OF CONDOMINIUM
OF
THE COLONY AT THE GRAND MASTER CONDOMINIUM**

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS

1.01	ACT.....	1
1.02	ADDITIONAL PROPERTY.....	1
1.03	ALLOCATED INTEREST.....	2
1.04	APPLICABLE RATE.....	2
1.05	ARC.....	2
1.06	ARCHITECTURAL STANDARDS.....	2
1.07	ARTICLES OF INCORPORATION.....	2
1.08	BOARD OR BOARD OF DIRECTORS.....	2
1.09	BUILDING.....	2
1.10	BYLAWS.....	2
1.11	COMMON ELEMENTS.....	2
1.12	COMMON EXPENSE ASSESSMENT.....	2
1.13	COMMON EXPENSES.....	3
1.14	CONDOMINIUM.....	3
1.15	CONDOMINIUM DOCUMENTS.....	3
1.16	DECLARANT.....	3
1.17	DECLARANT CONTROL PERIOD.....	3
1.18	DEVELOPMENT RIGHTS.....	3
1.19	ELIGIBLE MORTGAGE HOLDER.....	3
1.20	GOVERNMENTAL REQUIREMENTS.....	3
1.21	INDIVIDUAL ASSESSMENTS.....	3
1.22	IN INTEREST.....	3
1.23	LIMITED COMMON ELEMENTS.....	4
1.24	MANAGING AGENT.....	4
1.25	MASTER ASSESSMENTS.....	4
1.26	MASTER ASSOCIATION.....	4
1.27	MASTER DECLARATION.....	4
1.28	MORTGAGE.....	4
1.29	MORTGAGEE.....	4
1.30	OCCUPANT.....	4
1.31	OWNER.....	5
1.32	PERMITTED EXCEPTIONS.....	5
1.33	PERSON.....	5
1.34	PLANS.....	5
1.35	PRIVATE ELEMENTS.....	5
1.36	PROBATE OFFICE.....	5
1.37	PROPERTY.....	5
1.38	RULES AND REGULATIONS.....	5
1.39	SPECIAL ASSESSMENTS.....	5
1.40	SPECIAL DECLARANT RIGHTS.....	6
1.41	SUB-ASSOCIATION.....	6
1.42	SUB-DECLARATION.....	6
1.43	SUB-OWNER.....	6
1.44	SUB-UNIT.....	6
1.45	UNIT.....	6

1.46	UTILITY LINES.....	6
1.47	UTILITY SERVICES.....	6

ARTICLE II

PROPERTY AND UNITS

2.01	NAME OF CONDOMINIUM.....	6
2.02	SUBMISSION TO CONDOMINIUM OWNERSHIP.....	6
2.03	IDENTIFICATION OF UNITS AND ALLOCATED INTERESTS.....	7
2.04	UNIT BOUNDARIES.....	8
2.05	UNIT OWNERSHIP.....	8
2.06	UNIT IMPROVEMENTS, ALTERATIONS AND ADDITIONS.....	8
2.07	DIVISION AND COMBINATION OF UNITS.....	8

ARTICLE III

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

3.01	COMMON ELEMENTS AND OWNERSHIP.....	9
3.02	EASEMENTS TO AND USE OF COMMON ELEMENTS.....	9
3.03	EASEMENTS TO AND USE OF LIMITED COMMON ELEMENTS.....	9
3.04	MAINTENANCE OF COMMON ELEMENTS.....	9

ARTICLE IV

EASEMENTS

4.01	RESERVATION OF EASEMENT FOR UTILITIES.....	10
4.02	RESERVATION OF EASEMENT FOR ENCROACHMENTS.....	10
4.03	RESERVATION OF EASEMENTS TO COMMON ELEMENTS.....	11
4.04	GRANT OF EASEMENTS TO MASTER ASSOCIATION.....	11
4.05	RIGHT OF MASTER ASSOCIATION TO GRANT ADDITIONAL EASEMENTS.....	11
4.06	EASEMENTS FOR SUPPORT AND NECESSITY.....	11
4.07	PERMITTED EXCEPTIONS.....	11

ARTICLE V

USE RESTRICTIONS

5.01	USE AND LEASING RESTRICTIONS.....	11
5.02	UNDERGROUND UTILITIES AND EXTERIOR UTILITY EQUIPMENT.....	12
5.03	APPROVAL OF ALL SETBACK LINES BY ARC.....	12
5.04	MAXIMUM GROUND COVERAGE AND LANDSCAPING.....	12
5.05	MAXIMUM FLOOR AREA RATIO.....	13
5.06	EXTERIOR LIGHTING.....	13
5.07	OFF-STREET PARKING AND ROADWAYS.....	13
5.08	SERVICE AND STORAGE AREAS AND FACILITIES.....	14
5.09	FENCES.....	15
5.10	SATELLITE DISHES AND ANTENNAE.....	15
5.11	SOIL EROSION AND DRAINAGE.....	15
5.12	TRASH, RUBBISH, MUSIC AND NUISANCES.....	15
5.13	SIGNAGE.....	16
5.14	EXTERIOR MATERIALS, GLASS AND WINDOWS.....	17
5.15	ABOVE GROUND TANKS AND WELLS.....	17
5.16	ANIMALS AND PETS.....	17
5.17	TEMPORARY STRUCTURES.....	17
5.18	LANDSCAPING FOR PARKING AREAS.....	17
5.19	REZONING.....	18

5.20	CONSTRUCTION OF IMPROVEMENTS.....	18
5.21	COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS.....	18
5.22	DEED RESTRICTIONS.....	18
5.23	COMMON ELEMENTS.....	18
5.24	VARIANCES.....	19
5.25	RULES AND REGULATIONS.....	19
5.26	ENFORCEMENT AND REMEDIES.....	19

ARTICLE VI

ARCHITECTURAL REVIEW AND ARCHITECTURAL STANDARDS

6.01	COMMITTEE COMPOSITION.....	20
6.02	APPOINTMENT AND REMOVAL OF ARC MEMBERS.....	20
6.03	PROCEDURE AND MEETINGS.....	20
6.04	ARCHITECTURAL STANDARDS.....	20
6.05	APPROVAL OF PLANS AND SPECIFICATIONS.....	21
6.06	LANDSCAPING APPROVAL.....	23
6.07	CONSTRUCTION WITHOUT APPROVAL.....	23
6.08	INSPECTION.....	24
6.09	SUBSURFACE CONDITIONS.....	24
6.10	LIMITATION OF LIABILITY.....	24
6.11	ENFORCEMENT AND REMEDIES.....	25
6.12	COMPLIANCE CERTIFICATION.....	25

ARTICLE VII

MAINTENANCE RESPONSIBILITIES

7.01	MAINTENANCE BY MASTER ASSOCIATION.....	26
7.02	MAINTENANCE BY OWNERS.....	26
7.03	COVENANTS OF OWNERS.....	26
7.04	CONTRACTS FOR MAINTENANCE.....	27
7.05	COVENANTS AND AGREEMENTS REGARDING DECLARANT-OWNED UNITS.....	27

ARTICLE VIII

MASTER ASSOCIATION

8.01	OPERATION AND ADMINISTRATION.....	27
8.02	MEMBERSHIP AND VOTING RIGHTS.....	28
8.03	DECLARANT'S RIGHT TO APPOINT DIRECTORS AND OFFICERS.....	28
8.04	NO LIEN AGAINST MASTER ASSOCIATION FUNDS.....	29
8.05	MANAGEMENT AGREEMENT.....	29

ARTICLE IX

MASTER ASSESSMENTS

9.01	CREATION OF LIEN AND LIABILITY FOR MASTER ASSESSMENTS.....	29
9.02	RATE OF MASTER ASSESSMENTS.....	30
9.03	COMMON EXPENSE ASSESSMENTS.....	30
9.04	SPECIAL ASSESSMENTS.....	31
9.05	INDIVIDUAL ASSESSMENTS.....	31
9.06	DATE OF COMMENCEMENT OF MASTER ASSESSMENTS.....	32
9.07	EFFECT OF NONPAYMENT; REMEDIES OF THE MASTER ASSOCIATION.....	32
9.08	PRIORITY OF LIEN.....	34
9.09	CERTIFICATES.....	34
9.10	LOANS FROM DECLARANT.....	35

9.11	MASTER ASSESSMENTS WITH REGARD TO SUB-UNITS	35
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ARTICLE X

INSURANCE AND CASUALTY

10.01	OBLIGATION OF MASTER ASSOCIATION TO MAINTAIN INSURANCE.....	37
10.02	SCOPE OF COVERAGE MAINTAINED BY MASTER ASSOCIATION	37
10.03	OWNER INSURANCE COVERAGE	40
10.04	PAYMENT OF INSURANCE PROCEEDS.....	41
10.05	OBLIGATION TO RESTORE.....	41
10.06	DISTRIBUTION OF PROCEEDS AND REALLOCATION OF ALLOCATED INTERESTS.....	42
10.07	INSURANCE TRUSTEE	42

ARTICLE XI

CONDEMNATION

11.01	CONDEMNATION CONSIDERED A CASUALTY LOSS	43
11.02	PARTIAL CONDEMNATION OF UNITS	43
11.03	PARTIAL CONDEMNATION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.....	44
11.04	MASTER ASSOCIATION APPOINTED AS ATTORNEY-IN-FACT.....	45
11.05	CONFLICTS WITH ACT.....	45

ARTICLE XII

AMENDMENT AND TERMINATION

12.01	AMENDMENT.....	45
12.02	TERMINATION	46

ARTICLE XIII

DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

13.01	ALLQcation AND USE OF LIMITED COMMON ELEMENTS.....	47
13.02	USE FOR SALES AND OTHER PURPOSES	47
13.03	APPOINTMENT OF OFFICERS AND DIRECTORS	47
13.04	DEVELOPMENT RIGHTS	47
13.05	OTHER SPECIAL DECLARANT RIGHTS	48
13.06	PERMANENT ACCESS AND UTILITY EASEMENT.....	48
13.07	COMMERCIAL USE OF IMAGES.....	49
13.08	EXERCISE OF SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS	49

ARTICLE XIV

MORTGAGEE PROTECTION

14.01	RIGHTS OF MORTGAGEES	50
14.02	CONSENT OF MORTGAGEES TO CHANGES IN MASTER DECLARATION	51
14.03	ACTIONS REQUIRING APPROVAL OF ELIGIBLE MORTGAGE HOLDERS	52
14.04	VOTING BY ELIGIBLE MORTGAGE HOLDERS	53

ARTICLE XV

MISCELLANEOUS PROVISIONS

15.01	ADDITIONAL RIGHTS AND REMEDIES OF THE MASTER ASSOCIATION.....	53
15.02	LEGAL EXPENSES	54
15.03	SEVERABILITY	54

15.04	CAPTIONS AND HEADINGS.....	54
15.05	PRONOUNS AND PLURALS.....	54
15.06	BINDING EFFECT.....	54
15.07	NO WAIVER.....	54
15.08	INTERPRETATION.....	55
15.09	RIGHTS OF THIRD PARTIES.....	55
15.10	STANDARDS FOR REVIEW.....	55
15.11	ORAL STATEMENTS.....	55
15.12	NOTICES.....	55
15.13	FURTHER ASSURANCES.....	56

EXHIBITS

EXHIBIT A	LEGAL DESCRIPTION OF PROPERTY FORMING THE CONDOMINIUM
EXHIBIT B	LEGAL DESCRIPTION OF ADDITIONAL PROPERTY
EXHIBIT C	ALLOCATED INTEREST
EXHIBIT D	DESCRIPTION OF COMMON ELEMENTS
EXHIBIT E	DESCRIPTION OF LIMITED COMMON ELEMENTS
EXHIBIT F	BYLAWS
EXHIBIT G	SCHEDULE OF PERMITTED EXCEPTIONS
EXHIBIT H	PLANS
EXHIBIT I	UNIT BOUNDARIES

**DECLARATION OF CONDOMINIUM
OF
THE COLONY AT THE GRAND MASTER CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM OF THE COLONY AT THE GRAND MASTER CONDOMINIUM is made and entered into as of this 19th day of September, 2006 by **POINT CLEAR PARTNERS, LLC**, a Delaware limited liability company.

RECITALS:

Declarant, as hereinafter defined, is the owner of the Property, as hereinafter defined, and desires and intends, by the execution and recordation of this Master Declaration, to establish the Property as a condominium under the Act, as hereinafter defined, subject to and upon all of the terms and provisions set forth in this Master Declaration including, without limitation, the right to exercise the Development Rights and the Special Declarant Rights, as hereinafter defined.

Declarant, as the Owner of the Property, desires to create within the Property individual Units initially consisting of unimproved land (pursuant to which each Unit is described by a metes and bounds or other type of legal description), which Unit will be subsequently developed by the then Owners of such Unit, which development shall be undertaken pursuant to the terms and provisions of this Master Declaration and any Sub-Declaration, as hereinafter defined.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, Declarant does hereby declare that the Property, which is more particularly described in **Exhibit A** attached hereto and incorporated herein by reference, together with any and all improvements constructed thereon shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, improved and otherwise utilized subject to the Act and all of the covenants, conditions, restrictions, reservations, limitations and affirmative obligations set forth in this Master Declaration, all of which shall run with the land and shall be binding upon all parties (including all Owners, as hereinafter defined) having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of each Owner of a Unit.

ARTICLE I

DEFINITIONS

As used in this Master Declaration, the following terms shall have the meanings set forth below and the singular shall include the plural and vice versa:

1.01 Act. The term "Act" shall mean the Alabama Uniform Condominium Act of 1991, *Ala. Code* (1975), §§35-8A-101, *et seq.*, as the same may be amended from time to time.

1.02 Additional Property. The term "Additional Property" shall mean and refer to the real property and any improvements thereto which may be added to the Condominium by the exercise of the Development Rights. The legal description of the Additional Property is set forth in **Exhibit B** attached hereto and incorporated herein by reference and is further shown and described in

the Plans. The Additional Property shall **not** be a part of the Condominium until submitted to the terms of this Declaration pursuant to the terms and provisions of Article XIII hereof.

1.03 Allocated Interest. The term "Allocated Interest" shall mean the undivided interest in the Common Elements allocated to each Unit, which shall be determined from time to time in accordance with the provisions of Section 2.03(c) below. The Allocated Interest appurtenant to each Unit is set forth on Exhibit C attached hereto and incorporated herein by reference, which Exhibit C is subject to change from time to time to the extent Declarant exercises any of the Development Rights.

1.04 Applicable Rate. The term "Applicable Rate" shall mean simple interest equal to the lesser of eighteen percent (18%) per annum or the maximum rate of interest which may be charged to an Owner by law.

1.05 ARC. The term "ARC" shall mean and refer to the architectural control committee appointed by the Board of Directors pursuant to the term and provisions of Article VI below.

1.06 Architectural Standards. The term "Architectural Standards" shall mean the standards prepared, issued and amended from time to time by the ARC pursuant to the provisions of Article VI below for the purpose of reviewing and approving all exterior improvements to be made to any Units and any landscaping on any Unit.

1.07 Articles of Incorporation. The term "Articles of Incorporation" shall mean the Articles of Incorporation of the Master Association, as amended from time to time.

1.08 Board or Board of Directors. The term "Board" or "Board of Directors" shall mean the Board of Directors of the Master Association who shall be elected and removed as provided herein and in the Bylaws.

1.09 Building. The term "Building" shall mean and refer to any buildings or structures constructed within the boundaries of any Unit by the Owner of such Unit.

1.10 Bylaws. The term "Bylaws" shall mean the Bylaws of the Master Association, a copy of which is attached hereto as Exhibit F and incorporated herein by reference, together with all amendments thereto.

1.11 Common Elements. The term "Common Elements" shall mean all portions of the Condominium other than the Units. The Common Elements are more particularly described in Exhibit D attached hereto and incorporated herein by reference. The Common Elements also include the Limited Common Elements.

1.12 Common Expense Assessment. The term "Common Expense Assessment" shall have the meaning set forth in Section 9.03(b) below. The Common Expense Assessment will be assessed at such intervals as determined by the Board pursuant to Section 9.03 below and shall be used to pay the Common Expenses for each year.

1.13 Common Expenses. The term "Common Expenses" shall mean and refer to those Common Expenses described in Section 3.04(b) below which are payable by all Owners in accordance with their respective Allocated Interest.

1.14 Condominium. The term "Condominium" shall mean the condominium regime established by this Master Declaration which consists of the Property, all Units, all Common Elements and all Limited Common Elements.

1.15 Condominium Documents. The term "Condominium Documents" shall mean, collectively, the Master Declaration, the Bylaws, the Articles of Incorporation, the Plans and the Rules and Regulations, or any one of them, as each may be amended from time to time.

1.16 Declarant. The term "Declarant" shall mean Point Clear Partners, LLC, a Delaware limited liability company, and its successors and assigns who succeed to any of the Development Rights or Special Declarant Rights. The rights and privileges of Declarant may be assigned only by written instrument executed by the immediately preceding Declarant; provided, however, that there shall be only one Declarant at any one time.

1.17 Declarant Control Period. The term "Declarant Control Period" shall mean the period during which Declarant is entitled to appoint a majority of the members of the Board of Directors and the officers of the Master Association, as more particularly described in Section 8.03 below.

1.18 Development Rights. The term "Development Rights" shall have the meaning set forth in Section 13.04 below. The Development Rights shall be assignable in the discretion of the holder thereof.

1.19 Eligible Mortgage Holder. The term "Eligible Mortgage Holder" shall mean and refer to any Mortgagee holding a Mortgage which is a first Mortgage on any Unit who has submitted a written request to the Master Association pursuant to Article XIV below requesting that the Master Association notify such Mortgagee of any proposed action to be taken by the Master Association or certain amendments to the Master Declaration described in Article XIV below; provided, however, that the term "Eligible Mortgage Holder" shall not include or extend to the holder of a Mortgage on any Sub-Unit.

1.20 Governmental Requirements. The term "Governmental Requirements" shall mean and refer to all laws, ordinances, statutes, codes, rules, regulations and requirements of any federal, state, county or local governmental or quasi-governmental agencies, bureaus, departments, divisions, branches or regulatory authorities.

1.21 Individual Assessments. The term "Individual Assessments" shall have the meaning given to such term in Section 9.05 below.

1.22 In Interest. The term "in interest" shall mean, with respect to any vote or approval to be obtained from any of the Owners or any Eligible Mortgage Holders, the following:

(a) With respect to a vote or approval to be obtained from a specified percentage "in interest" of all Owners, the reference to "in interest" shall mean that such vote or approval shall be determined in accordance with the respective Allocated Interest of each Owner entitled to vote or approve such matter;

(b) With respect to a vote or approval to be obtained from a specified percentage "in interest" of all Eligible Mortgage Holders, the reference to "in interest" shall mean that such vote or approval shall be determined in accordance with the applicable Allocated Interest allocated to each Unit within the Condominium which is encumbered by a Mortgage held by an Eligible Mortgage Holder.

1.23 Limited Common Elements. The term "Limited Common Elements" shall mean and refer to the Limited Common Elements which are more particularly described in Exhibit E attached hereto and incorporated herein by reference. Limited Common Elements are provided for the exclusive use of one or more but fewer than all of the Units.

1.24 Managing Agent. The term "Managing Agent" shall mean the Person who undertakes the duty, responsibility and obligation of managing the Condominium by employment or contract with the Master Association.

1.25 Master Assessments. The term "Master Assessments" shall mean and refer to, collectively, Common Expense Assessments, Individual Assessments and Special Assessments payable by each Owner for each Unit owned by such Owner in accordance with the terms and provisions of this Master Declaration.

1.26 Master Association. The term "Master Association" shall mean The Colony at The Grand Master Condominium Owners' Association, Inc., an Alabama nonprofit corporation and its successors and assigns.

1.27 Master Declaration. The term "Master Declaration" shall mean and refer to this Declaration of Condominium of The Colony at The Grand Master Condominium, including all exhibits hereto, as the same may be amended from time to time.

1.28 Mortgage. The term "Mortgage" shall mean any deed of trust or mortgage, or other instrument conveying a lien upon, or security interest, in a Unit (or Sub-Unit), including any such instrument held by Declarant which was made in good faith and for value.

1.29 Mortgagee. The term "Mortgagee" shall mean the holder of any Mortgage.

1.30 Occupant. The term "Occupant" shall mean and include any family members, patrons, customers, guests, tenants, agents, servants, employees and invitees of any Owner. To the extent any Unit is subjected to or encumbered by a Sub-Declaration, then each Sub-Owner and their respective family members, patrons, customers, guests, tenants, agents, servants, employees and invitees of each such Sub-Owner shall be considered Occupants. Each Owner shall be responsible for the acts and omissions of any Occupants of such Owner's Unit.

1.31 Owner. The term "Owner" shall mean one or more Persons who hold the record title to any Unit but excluding in all cases any Mortgagee or any other Person holding an interest solely as security for the performance of an obligation. Notwithstanding anything provided in this Master Declaration to the contrary, in the event any Unit is subjected to a Sub-Declaration, then (i) any and all references in this Master Declaration to "Owner" shall mean and refer to the Sub-Association established pursuant to any such Sub-Declaration for such Unit and (ii) no Sub-Owners shall be deemed Owners hereunder or otherwise have any voting or other rights of Owners created by any of the Condominium Documents.

1.32 Permitted Exceptions. The term "Permitted Exceptions" shall mean and refer to all of those matters of title affecting the Property which are more particularly described in Exhibit G attached hereto and incorporated herein by reference.

1.33 Person. The term "Person" shall mean a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, limited liability company or other legal or commercial entity; provided, however, that for a land trust, "Person" means the beneficiary of the trust rather than the trust or the trustee.

1.34 Plans. The term "Plans" shall mean, collectively, the site plan, and plats of the Condominium prepared by an independent registered architect or engineer which are attached hereto as Exhibit H and incorporated herein by reference. The Plans contain a certificate of completion executed by an independent registered architect as required by the Act. The Plans also contain a certification as required by the Act stating that the Plans contain all information required by the Act.

1.35 Private Elements. The term "Private Elements" is defined in Exhibit I hereto.

1.36 Probate Office. The term "Probate Office" shall mean the Office of the Judge of Probate of Baldwin County, Alabama, or such other place as is designated as the official public registry for the public recording of real estate documents for real estate located in Baldwin County, Alabama.

1.37 Property. The term "Property" shall mean and refer to the real property described in Exhibit A attached hereto and incorporated herein by reference, as the same may be amended from time to time.

1.38 Rules and Regulations. The term "Rules and Regulations" shall mean the Rules and Regulations of the Master Association which may be adopted from time to time by the Board in the manner set forth in Section 5.02 below.

1.39 Special Assessments. The term "Special Assessments" shall mean assessments levied against all Owners to cover unanticipated expenses or expenses in excess of those budgeted, as described in Section 9.04 below.

1.40 Special Declarant Rights. The term "Special Declarant Rights" shall have the meaning set forth in the Act and as provided in Section 13.07 hereof. The Special Declarant Rights shall be assignable in the discretion of the holder thereof.

1.41 Sub-Association. The term "Sub-Association" shall mean and refer to any property or condominium owners' association created or established as part of a Sub-Declaration.

1.42 Sub-Declaration. The term "Sub-Declaration" shall mean any additional declarations of condominiums which the Owner of any Unit may elect to impose on and otherwise encumber such Owner's Unit. The terms and provisions of this Master Declaration are superior to, and shall always control in the event of any conflict or ambiguity between the terms and provisions of this Master Declaration and any Sub-Declaration.

1.43. Sub-Owner. The term "Sub-Owner" shall mean and refer to the Person who owns any Sub-Unit. Sub-Owners shall **not** be Owners under this Master Declaration or any of the other Condominium Documents and do **not** have any rights of Owners under this Master Declaration or any of the other Condominium Documents.

1.44 Sub-Unit. The term "Sub-Unit" shall mean and refer to any individual condominium units created by any Sub-Declaration in any Buildings constructed on any Units.

1.45 Unit. The term "Unit" shall mean and refer to a physical portion of the Condominium designated for separate ownership or occupancy, the boundaries of which are described in this Master Declaration, the Plans and the Act.

1.46 Utility Lines. The term "Utility Lines" shall mean and refer to any and all lines, pipes, wiring, conduit, equipment, machinery and other apparatus and appurtenances necessary or required to provide Utility Services to any portion of the Condominium.

1.47 Utility Services. The term "Utility Services" shall mean and refer to any and all publicly or privately owned or operated master television and/or cable television systems, security and similar systems and electrical, gas, telephone, water and sanitary sewer services, storm drains and sewer and drainage systems.

ARTICLE II

PROPERTY AND UNITS

2.01 Name of Condominium. The name by which this Condominium is to be known is the "The Colony at The Grand Master Condominium". The Property is situated in Baldwin County, Alabama.

2.02 Submission to Condominium Ownership.

(a) The Property is hereby submitted to the condominium form of ownership as established by the Act and all of the Property shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, improved and otherwise utilized subject to the provisions of the Act, the covenants, conditions, restrictions, easements, limitations, charges, liens, obligations and regulations set forth in this Master Declaration and the Rules and Regulations, all of

which are declared and agreed to be in furtherance of a plan for improvement of the Property and the division thereof into condominium ownership and all of which shall run with the land and shall be binding upon and inure to the benefit of all Owners and any other parties having or acquiring any right, title or interest in any portion of the Condominium. This Condominium is intended to be a "land condominium" consisting of individual Units, the boundaries of which are described in Section 2.04 below and in Exhibit I hereto.

(b) The Condominium initially consists of 1 Unit. To the extent Declarant exercises the Development Rights, then the total number of Units (including the initial Unit submitted to this Master Declaration) shall not exceed 75 Units.

2.03 Identification of Units and Allocated Interests.

(a) The legal description of each Unit is separately set forth in Exhibit A hereto. Each Unit is also described and shown in the Plans. Each Unit is assigned a number as indicated on the Plans. No Unit bears the same designation as another Unit. The legal description of each Unit shall consist of the identifying number, as shown on the Plans, the name of this Condominium, the name of the county in which the Unit is situated, the name of the public office where this Master Declaration is recorded and the book and page number (or the instrument number or card number) where the first page of this Master Declaration is recorded. The current number of Units subject to this Master Declaration is set forth in Exhibit C attached hereto and incorporated herein by reference; however, the number of Units is subject to increase in the event Declarant exercises any of the Development Rights.

(b) Each Unit consists of the Unit, the boundaries of which are described in Section 2.04 below, together with the Private Elements of such Unit, as described and defined in Exhibit I attached hereto and incorporated herein by reference, and an undivided interest in the Common Elements equal to the Allocated Interest for such Unit. Any conveyance, transfer or encumbrance of a Unit shall be deemed to convey, transfer, encumber and otherwise include the Owner's corresponding undivided Allocated Interest in the Common Elements even if the same is not expressly mentioned or described in the deed or other instrument of conveyance, transfer or encumbrance. Ownership of a Unit and the Owner's Allocated Interest in the Common Elements shall not be separated. No Unit, by deed, plat, court decree or otherwise, shall be subdivided or in any manner separated into any parcel or unit smaller than the whole Unit as shown on the Plans except as otherwise permitted in Section 2.07 below or pursuant to the exercise of any of the Development Rights by Declarant.

(c) The Allocated Interest attributable and allocated to each Unit is set forth on Exhibit C hereto. The Allocated Interest attributable and allocated to each Unit shall be determined by dividing the gross acreage of each Unit by the total gross acreage of all Units within the Condominium. Each Owner shall be obligated to pay each year that portion of the Common Expenses equal to the Allocated Interest for such Owner's Unit. Each Owner, by acceptance of a deed to any Unit, acknowledges that should Declarant exercise any of the Development Rights, Declarant has the right, without the consent or approval of any Owner or Mortgagee, to amend Exhibit C hereto and reallocate the Allocated Interest. Allocations and reallocations of the Allocated Interest may be subject to minor variations attributable to rounding off.

2.04 Unit Boundaries. The boundaries of each Unit shall be determined as set forth in Exhibit I attached hereto and incorporated herein by reference.

2.05 Unit Ownership. Each Owner shall be entitled to the exclusive ownership and possession of such Owner's Unit. Each Owner shall have the unrestricted right of ingress and egress to such Owner's Unit, which right shall be an appurtenance to his or her Unit.

2.06 Unit Improvements, Alterations and Additions.

(a) Any additions, alterations or improvements to a Unit must be approved in accordance with the terms and provisions of Article VI of this Master Declaration.

(b) An Owner of a Unit may transfer his or her Unit by sale, gift or devise in any way permitted by Alabama law for the transfer of real property; provided, however, that unless and until a deed to a Unit has been recorded in the Probate Office and a copy thereof has been provided to the Master Association, the Master Association is not required to recognize the transfer of a Unit for any purpose and any and all communication required or permitted to be given by the Master Association to the Owner of a Unit shall be deemed duly given and made if given to the transferor.

2.07 Division and Combination of Units.

(a) Subject to the provisions of Section 2.07(b) below, in addition to the rights of Declarant to exercise the Development Rights, any Owner may combine two or more Units owned by such Owner into one or more Units with the prior written consent and approval of the Board of Directors; however, no Unit may be further subdivided by any Owner. Subject to the provisions of Section 2.07(b) below, to the extent any Owner, with the approval of the Board of Directors, elects to combine any two or more Units into one or more Units, then this Master Declaration shall be amended, without any requirement that the consent or approval of any other Owner or Mortgagee be obtained, to correctly refer to the combined Units; however, any such combination of Units shall not (i) change the Allocated Interests attributable to such combined Units or (ii) change the amount of Master Assessments payable by such combined Units. Any and all costs and expenses of amending the Master Declaration shall be paid for by the Owner who has combined Unit pursuant to the terms and provisions of this Section 2.07.

(b) Notwithstanding anything provided in this Master Declaration to the contrary, the improvement of any Unit with Buildings or other improvements by the Owner of such Unit shall, subject to the terms and provisions of Article VI below, be authorized and approved and shall not constitute a subdivision of a Unit in violation of the terms and provisions of Section 2.07(a) above. Furthermore, the adoption of a Sub-Declaration for any Unit and the creation of Sub-Units under such Sub-Declaration (i) shall not constitute or be deemed a violation of the terms and provisions of Section 2.07(a) above, (ii) may be undertaken without any further consents or approvals by the Board of Directors and (iii) shall obligate each Sub-Association formed for any Unit to be bound by and comply with all of the terms and provisions of Section 9.11 below. Notwithstanding anything provided in this Master Declaration to the contrary, only the Owner of the Unit (and the Sub-Owners' Master Association formed for any Unit which is subject to a Sub-

Declaration) will be deemed an "Owner" for the purposes of this Master Declaration and the other Condominium Documents. In no event shall any Sub-Owner be deemed an Owner hereunder or under any of the other Condominium Documents.

ARTICLE III

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

3.01 Common Elements and Ownership.

(a) Each Owner of a Unit shall own, as a tenant in common with all other Owners, an undivided interest in the Common Elements equal to the Allocated Interest for such Owner's Unit, as shown on Exhibit C hereto, as the same may be amended from time to time as provided in Section 2.03(c) above.

(b) No Owner shall bring any action for partition or division of the Common Elements. No Owner shall transfer, convey, encumber or otherwise alienate such Owner's undivided interest in the Common Elements separate and apart from the ownership of such Unit and any agreement to the contrary shall be null and void. No Unit shall be divided into or otherwise sold, transferred or conveyed as a time-share interest or unit.

(c) To the extent any Unit is combined into one or more Units pursuant to the exercise by Declarant of the Development Rights or by any Owner pursuant to the provisions of Section 2.07 above, then the Common Elements may change which may also result in changes in the Allocated Interest applicable to all Units.

3.02 Easements to and Use of Common Elements. Except for the Limited Common Elements which shall be used only by those Owners designated in Exhibit E hereto, Declarant does hereby grant to each Owner and any Occupant of such Owner's Unit a permanent, perpetual and non-exclusive easement and right to use the Common Elements in common with all other Owners, subject to the terms and provisions of this Master Declaration and the Rules and Regulations. The Master Association shall have the right and authority to lease, grant concessions or grant easements with respect to all or any portion of the Common Elements subject to the terms and provisions of this Master Declaration and the Bylaws.

3.03 Easements to and Use of Limited Common Elements. The Limited Common Elements are more particularly described in Exhibit E hereto. The Limited Common Elements constitute part of the Common Elements. Subject to the easements reserved and established by Declarant pursuant to this Master Declaration and the Rules and Regulations, Declarant does hereby grant to each Owner and any Occupant of such Owner's Unit a permanent, perpetual and exclusive easement and right to use those portions of the Limited Common Elements, if any, which are designated for use by such Unit as set forth in Exhibit E hereto.

3.04 Maintenance of Common Elements.

(a) All of the Common Elements shall be maintained by the Master Association.

(b) All Owners shall be responsible for and shall pay their respective share of all Common Expenses based on their respective Allocated Interest. As used herein, the term "Common Expenses" shall mean and include all costs and expenses arising out of the ownership, maintenance, repair, operation, use and replacement of the Common Elements and Limited Common Elements, including, without limitation, (i) maintenance and repair service contracts (e.g., landscaping and other service contracts), (ii) salaries, fringe benefits and other costs and expenses for any employees of the Master Association, (iii) Utility Services for the Common Elements and Limited Common Elements, (iv) normal, routine trash collection/removal services for the Common Elements and Limited Common Elements, (v) all insurance costs and premiums paid by the Master Association in maintaining any of the insurance required or permitted to be maintained hereunder by the Master Association, (vi) all management fees and expenses payable to the Managing Agent, (vii) any and all expenses declared to be Common Expenses by the terms and provisions of this Master Declaration, (viii) any allocations to reserves for the maintenance, repair or replacement of the Common Elements that must be replaced on a periodic basis, or which may be necessary to cover operating contingencies or deficits arising from unpaid Master Assessments or emergency expenditures, (ix) any maintenance costs or expenses assumed by the Master Association with respect to any real property lying in close proximity with the Property, and (x) any and all other costs and expenses which a majority of all members of the Board of Directors determine would be in the best interests of all Owners to pay or incur in connection with the overall ownership, operation, maintenance, repair, use and replacement of any of the Common Elements or which benefit all Owners.

ARTICLE IV

EASEMENTS

4.01 Reservation of Easement for Utilities. Declarant does hereby establish and reserve for itself, the Master Association and their respective successors and assigns, a permanent, perpetual and non-exclusive easement over, across, through, under and upon all portions of the Condominium, including all Units, as may be necessary or reasonably required in connection with providing any Utility Services to any portion of the Condominium or to any Unit. The easement established and reserved pursuant to this Section 4.01 shall include, without limitation, the right to construct, install, maintain, repair and replace any and all Utility Lines necessary or otherwise reasonably required in order to provide any Utility Services to any portion of the Condominium.

4.02 Reservation of Easement for Encroachments. If any portion of the Common Elements encroaches upon any Unit or any of the Limited Common Elements, then Declarant does hereby establish and reserve reciprocal appurtenant easements for such encroachments by the Common Elements onto each Unit and Limited Common Elements, which easements shall be permanent, perpetual and reciprocal. Furthermore, following the reconstruction of any Common Elements following the occurrence of any fire or other casualty or any taking by act of eminent domain, minor encroachments by the Common Elements upon the Units and Limited Common Elements resulting from such reconstruction are permitted and permanent and perpetual easements for such encroachments are hereby granted and established.

4.03 Reservation of Easements to Common Elements. Declarant does hereby establish and reserve for itself, the Master Association and their respective successors and assigns, a

permanent, perpetual and non-exclusive easement over, across, through, under and upon all of the Common Elements for the purposes of (a) exercising any of the Special Declarant Rights or Development Rights, (b) making and constructing improvements to the Condominium and (c) doing all other things reasonably necessary or proper in connection with the development, construction, sale and leasing of Units within the Condominium, including, but not limited to, construction, excavation, landscaping, terrain alteration, sloping and installation of any and all Utility Lines in connection with providing Utility Services to any portion of the Condominium.

4.04 Grant of Easements to Master Association. Declarant does hereby grant to the Master Association, its agents, employees, successors and assigns, a permanent and perpetual non-exclusive easement over, across, through and upon all portions of the Condominium, including all Units, the Common Elements and the Limited Common Elements, for the purposes of carrying out and performing any of the duties and obligations of the Master Association set forth in this Master Declaration.

4.05 Right of Master Association to Grant Additional Easements. The Master Association, acting through the Board of Directors, shall have the sole and exclusive right, power and authority to grant rights and easements in and to the Common Elements as the Board may, in its sole discretion, determine to be necessary or desirable, on such items as the Board may, in its sole discretion, determine to be necessary or desirable.

4.06 Easements for Support and Necessity. Declarant does hereby establish, reserve for and grant, for the benefit of each Unit and all Common Elements, reciprocal easements for support and of necessity in, over, through, under and upon all other Units and the Common Elements.

4.07 Permitted Exceptions. Each Unit is subject to all of the terms and provisions of the Permitted Exceptions, including, without limitation, all easements, restrictions, reservations, rights-of-way and other matters of record which may arise at any time after the date of this Master Declaration by virtue of actions of the Master Association or by virtue of the granting or exercise of any of the rights reserved unto Declarant or the Master Association pursuant to the terms and provisions of this Master Declaration.

ARTICLE V

USE RESTRICTIONS

5.01 Use and Leasing Restrictions.

(a) Each Unit shall be used solely for those purposes which are authorized and approved by the ARC and, to the extent applicable, any use restrictions which may be set forth in the deed of conveyance of a Unit by Declarant to an Owner.

(b) No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere in the Condominium nor shall anything be done within the Condominium which, in the sole and absolute judgment of the Board of Directors, causes a nuisance, causes unreasonable

noise, odor or disturbances to other Owners or unreasonably interferes with the use by other Owners of their respective Units or any of the Common Elements.

5.02 Underground Utilities And Exterior Utility Equipment.

(a) All utility lines, pipes, conduits and wiring for electrical, gas, telephone, water, sanitary sewer, cable television, security and any other utility service for Unit shall be installed and maintained below ground; provided, however, that overhead or above ground wires, poles, pipes and other above ground machinery and equipment may be utilized for temporary electrical service during the initial construction of a Building on a Unit.

(b) All electrical, gas, telephone and cable television meters, transformers and junction boxes, if any, for each Unit, shall be located, to the greatest extent possible, so as not to be visible from any roadway within the Property. All Owners shall install and maintain landscaping around all such meters and all electrical transformers and junction boxes situated on such Owner's Unit in a manner to visually screen, to the greatest extent practicable, all such meters, transformers and junction boxes from view from any streets within the Property or any of the Common Elements. All exterior heating, ventilating and air conditioning compressor units and equipment, including cooling towers, storage tanks and other similar equipment, shall be located either within a wholly-enclosed penthouse (equipment room) on top of the Building or on the ground level of such Building in a location and with appropriate screening by either walls or landscaping so that the same is not visible from any of the streets within the Property or any of the Common Elements.

5.03 Approval of all Setback Lines by ARC. The ARC shall establish and approve all setback lines applicable to both Buildings and parking areas for each Unit. The approval or establishment of setback lines by the ARC for one particular Unit shall not be deemed an approval or otherwise obligate the ARC to approve similar setback lines for any other Unit.

5.04 Maximum Ground Coverage And Landscaping. The ARC may establish and prescribe ground coverage ratios for any Unit, which requirements may be applied to one or more Units but not all of the Units based on, among other things, the type uses contemplated for such Unit, any other requirements imposed on such Unit by the ARC pursuant to Article VI, and any other grounds which are consistent with the objectives and purposes of this Master Declaration, including purely aesthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Unit and any improvements thereto to be harmonious with the general plan of development contemplated for the Property. All areas of a Unit which do not contain Buildings, parking areas, driveways, walkways or other impervious surfaces shall be landscaped in accordance with landscaping plans to be submitted to the ARC for approval as part of the requirements of Section 6.05(b) below. All landscaped areas of each Unit shall be irrigated by underground sprinkler systems. All landscaping for each Unit must be installed no later than the date on which a certificate of occupancy is issued for the Building situated on such Unit. All exterior improvements to a Unit, including, without limitation, fountains, reflectors, flagpoles, statues, exterior sculptures, exterior furnishings and any and all fixtures or accessories of any nature, must be approved in writing by the ARC.

5.05 Maximum Floor Area Ratio. The maximum floor area ratio for each Building on each Unit shall be determined by the ARC, in its sole and absolute discretion; provided, however, that the approval or establishment of a maximum floor area ratio by the ARC for one particular Unit shall not be deemed an approval or otherwise obligate the ARC to approval similar floor area ratios for any other Unit. Any maximum floor area ratios established by the ARC for any Unit may be applied to one or more Units but not all of the Units based on, among other things, the type uses contemplated for such Unit, any other requirements imposed on such Unit by the ARC pursuant to Article VI, and any other grounds which are consistent with the objectives and purposes of this Master Declaration, including purely aesthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Unit and any improvements thereto to be harmonious with the general plan of development contemplated for the Property.

5.06 Exterior Lighting. All exterior lighting for any Building or parking areas within a Unit, including, without limitation, free standing lighting and accent lighting, shall be in keeping with the Architectural Standards and must be approved by the ARC. All lighting shall, to the greatest extent practicable, illuminate only the real property comprising such Unit and shall be positioned in such a manner so as, to the greatest extent practicable, not to constitute a nuisance or hazard to any other Units or Buildings within the Property.

5.07 Off-Street Parking and Roadways.

(a) No parking on or within any Common Elements shall be permitted unless such parking is in a designated parking space within the Common Elements specifically provided for the parking of vehicles or is otherwise approved by the Board. Adequate off-street parking shall be constructed on or within each Unit as part of the construction of improvements on such Unit. The size and location of all off-street parking on a Unit and the landscaping of all such parking areas shall be approved by the ARC in accordance with the provisions of Article VI hereof. All parking areas situated on any Unit shall be subject to the landscaping provisions and requirements set forth in Section 6.21 below. No use shall be made of any Unit or the Building(s) situated thereon which require or would reasonably be expected to require parking in excess of the capacity of the parking facilities located on such Unit. Any minimum parking requirements established by the ARC may be applied to one or more Units but not all of the Units based on, among other things, the type uses contemplated for such Unit, any other requirements imposed on such Unit by the ARC pursuant to Article VI, and any other grounds which are consistent with the objectives and purposes of this Master Declaration, including purely aesthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Unit and any improvements thereto to be harmonious with the general plan of development contemplated for the Property.

(b) All parking areas on each Unit shall (i) be paved to provide dust-free, all weather surfaces, (ii) be adequate in area and number of parking spaces provided in order to comply with any minimum parking requirements imposed on a Unit by the ARC, (iii) contain adequate driveways and space for movement of vehicles, (iv) meet at grade with connecting streets, (v) be striped to designate parking spaces, (vi) contain concrete curbing, sidewalks and walkways as well as proper drainage, (vii) satisfy and comply with all Governmental Requirements and (viii) satisfy the setback and landscaping requirements of Sections 5.03 and 5.18 hereof. Each Owner shall

maintain all parking areas and driveways within or upon its Unit in a clean and good condition at all times and clear of all refuse, rubbish, trash or debris of any nature.

(c) All curb cuts providing access to and from any Unit and any public or private roadway within the Property or between two (2) adjoining Units shall be subject to the prior written approval of the ARC.

(d) No portion of any Unit and no drive or roadway constructed within the boundary lines of any Unit may be utilized to provide access, ingress to or egress from any property lying outside of the boundaries of the Property without the express prior written consent of the ARC, which consent may be withheld by the ARC in its sole and absolute discretion.

(e) Except as otherwise expressly provided in this Section 5.07(e), mobile homes, motor homes, trailers of any kind, campers, vans, motorized carts, all-terrain vehicles, lawnmowers, tractors, tools, construction machinery and equipment of any nature, golf carts, boats and any other type of watercraft, including boat trailers, and any other similar type of vehicles, machinery or equipment shall not be permitted, stored or allowed to remain on or within any Unit unless the same is placed, stored and maintained within a wholly-enclosed structure, with roofing and doors, on such Unit, which structure must be approved by the ARC. Notwithstanding the foregoing provisions of this Section 5.07(e), (i) bicycles are permitted and encouraged for transportation purposes (subject to the rules and regulations adopted from time to time by the Board), (ii) the use and temporary parking of the following types of vehicles shall be allowed subject to the remaining terms and provisions of this Master Declaration: (1) automobiles, small pick-up trucks, bicycles and motorcycles by Owners, Occupants and their respective employees, tenants and invitees are allowed so long as such vehicles park in designated parking spaces and otherwise comply with the terms and provisions of this Master Declaration, (2) golf carts, delivery trucks, vans and other vehicles which are making deliveries to any Unit or Building or which are utilized in the maintenance or operation of any improvements on any Unit are allowed so long as such vehicles park in designated parking spaces and otherwise comply with the terms and provisions of this Master Declaration and (3) subject to the terms and provisions of Section 5.20 below, construction-related vehicles, equipment or machinery which are utilized in the construction of improvements on any Unit are allowed so long as such vehicles park in designated parking spaces and otherwise comply with the terms and provisions of this Master Declaration and (iii) the Board may authorize the use of golf carts within the Property subject to such rules and regulations which the Board may adopt, and change, from time to time. The Common Elements shall not be utilized for the parking or storage of mobile homes, motor homes, trailers of any kind, campers, vans, motorized carts, off-terrain vehicles, lawnmowers, tractors, tools, construction machinery and equipment of any nature, golf carts, boats and any other type of watercraft, including boat trailers, and any other similar types of vehicles except as expressly authorized by the terms and provisions of this Section 6.10(e), recreational vehicles, machinery or equipment. Furthermore, any vehicle which is inoperable shall be immediately removed from the Property. No Owner or Occupant shall repair or restore any vehicle, machinery or equipment of any kind upon or within any portion of the Property.

5.08 Service and Storage Areas and Facilities. No materials, supplies, equipment or machinery shall be stored on any Unit outside of a Building without the prior written approval of the ARC; provided, however, that temporary storage of construction materials may be

utilized during the construction of any Building or improvements on a Unit so long as the same are removed upon completion of construction. Each Building constructed on a Unit shall include a service area of adequate size and location to facilitate trash removal and for the loading and unloading of merchandise, materials and otherwise handling deliveries. All service areas shall be paved, be accessible to a public or private street within the Property, be enclosed on at least three (3) sides and, to the greatest extent possible, be screened from view from any streets within the Property by either walls, fencing or landscaping as may be approved by the ARC.

5.09 Fences. No fences of any kind or material shall be permitted within the Property except as approved by the ARC.

5.10 Satellite Dishes and Antennae. No satellite dishes or radio, telephone (including cellular) or telecommunication antennae, receivers, aerials or other similar devices shall be attached to or installed on any Unit or Building unless the same are approved by the ARC, which approval may be conditioned upon, among other things, that such satellite dishes, antennae and other devices not be visible from any adjoining Building or Unit or any streets within the Property. No radio or television signals or any other form of electromagnetic radiation or transmission shall be permitted to originate from any Unit or Building which may interfere with the reception of radio or television signals within the Property.

5.11 Soil Erosion and Drainage. Each Owner shall provide and maintain on such Owner's Unit adequate soil erosion measures and drainage facilities to accommodate any storm water runoff resulting from any improvements being constructed on such Owner's Unit. Each Owner shall also insure that such Owner's Unit and any improvements thereto are at all times in strict compliance with (a) all soil erosion protection requirements of all applicable governmental authorities, (b) all storm water drainage and run-off requirements regulations of all applicable governmental authorities and (c) all other Governmental Requirements. Each Owner shall, in connection with the construction of any improvements on such Owner's Unit, be solely responsible for providing adequate storm water drainage improvements and facilities on such Owner's Unit which will be sufficient to adequately channel any storm water which may either cross or come upon such Owner's Unit from adjoining Units or Common Elements, or which may originate and drain from such Owner's Unit and any improvements thereto onto adjacent Units and Common Elements. Each Owner shall and does hereby indemnify, defend and agree to hold Declarant, the ARC, the Master Association and their respective agents, employees, officers, directors, shareholders, members, trustees and representatives harmless from and against any and all fines, penalties, costs and expenses, including court costs and reasonable attorneys' fees, and all other amounts suffered, paid or incurred by any of them in connection with any action, suit or other proceeding (including the settlement of any suit or proceeding) to which any such Person may be made a party by reason of the violation by such Owner of the terms and provisions of this Section 5.11.

5.12 Trash, Rubbish, Music and Nuisances.

(a) No trash, garbage, rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Property nor shall any nuisance or odors be permitted to exist or operate upon or arise from any Unit or improvements thereto which would render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using, occupying

or owning any other Units or Buildings within the Property. Each Owner and Occupant shall refrain from any act or use of a Unit or Building which could cause disorderly, unsightly or unkept conditions, result in the cancellation of or increase in insurance coverage or premiums for any portion of the Property or be in violation of any Governmental Requirements. Any Owner or Occupant who dumps, places or allows trash or debris to accumulate on such Owner's Unit or any improvements thereto or on any other portion of the Property shall be liable to the Master Association for all costs incurred by the Master Association to remove the same (although the Master Association shall be under no obligation to remove the same).

(b) All outdoor refuse collection areas for each Unit shall be located in the service area for such Unit or Building. No trash or refuse collection area shall be maintained within view of any streets within the Property.

(c) No outdoor burning of trash, garbage, leaves, wood, shrubbery or other materials shall be permitted on any Unit without the prior written approval of the ARC and the satisfaction of all applicable Governmental Requirements.

(d) No exterior speakers, horns, whistles, bells or other sound devices, other than security and fire alarm devices used exclusively for such purposes, shall be located, used or placed upon any Unit or any improvements thereto other than as may be required by applicable Governmental Requirements.

5.13 Signage. All Building and other signage (whether attached to a Building or constructed as a freestanding sign) must be approved by the ARC. Notwithstanding anything provided herein to the contrary, the ARC may establish and prescribe signage standards and requirements, which standards and requirements may be applied to one or more Units but not all of the Units based on, among other things, the type uses contemplated for such Unit, any other requirements imposed on such Unit by the ARC pursuant to Article VI, and any other grounds which are consistent with the objectives and purposes of this Master Declaration, including purely aesthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Unit and any improvements thereto to be harmonious with the general plan of development contemplated for the Property. Billboards are prohibited within the Property. No signs or advertising posters of any kind shall be maintained or permitted within any windows or glass doors or on the exterior of any Unit or Building or elsewhere on any portion of a Unit without the express written permission of the ARC. If required by the ARC, all traffic, safety, informational and other signage constructed or installed by an Owner on or within such Owner's Unit shall be uniform in design and style as that type of signage used throughout the Property. The approval of any signs and posters, including, without limitation, political campaign signs, name and address signs, building and monument signage and for-sale and for-lease signs, shall be granted or denied by the ARC in its sole and absolute discretion upon such terms and conditions as may from time to time be determined by the ARC. All banners and streamers of every kind, nature or description are prohibited. Any signage which any Owner desires to place on such Owner's Unit at such time as such Owner is constructing improvements thereon shall be considered a part of the improvements, the plans and specifications for which must be approved in writing by the ARC. Notwithstanding anything provided herein to the contrary, Declarant and the Master Association shall have the right (but not the obligation) to construct, erect and maintain on any of the Common Elements and within any of

the easement areas described in Article IV hereof no trespassing signs, traffic control signage, parking regulation signage, for sale or lease signage, signage identifying the Property, any of the Units and any of the Common Elements as well as restrictions on the use of the Common Elements.

5.14 Exterior Materials, Glass and Windows. All exterior building materials for all Buildings must be approved by the ARC. No foil or other reflective material shall be installed on any windows or used for sunscreen, blinds, shades or other purposes on any Buildings. All window treatments, sunscreens, blinds, shades and other similar window, door or screen treatments for any Unit or any Sub-Unit must be approved by the ARC.

5.15 Above Ground Tanks and Wells. No exposed above-ground tanks for the storage of fuel, water or any other substances shall be located on any Unit, except as approved by the ARC, which approval may be conditioned upon such above-ground tanks being screened from view from any Common Elements by either walls, fencing and/or landscaping. No private water wells may be drilled or maintained and no septic tanks or similar sewage facilities may be installed or maintained on any Unit. Only public sewage systems shall be utilized for the discharge of sewage from any Unit or any improvements thereto.

5.16 Animals and Pets. No animals, livestock, birds, poultry or pets of any kind shall be raised or bred by any Owner upon any Unit or any other portion of the Property. The Board of Directors shall have the right to adopt, and change, from time to time additional rules and regulations regarding the number, size and kinds of pets allowed within the Property and any Units and Sub-Units. Reptiles or snakes shall not be kept or maintained as pets on or within any of the Property. No pet shall be allowed to make an unreasonable amount of noise or become a nuisance. Dogs and cats shall not be allowed to roam unattended within the Property; all dogs shall be kept and maintained inside of the Building on such Unit or, when outside such Building, shall be under leash. Pets shall not be permitted to leave excrement on any of the Units or Common Elements (except for those areas within the Common Elements which are specifically designated for such uses by the Master Association) and the owner of such pet shall immediately remove the same from all Units and Common Elements (including those areas which are specifically designated for such uses by the Master Association). Each owner of any pet shall be liable to the Master Association for the cost of repairing any damage to any of the Common Elements cause by the pet of such Person.

5.17 Temporary Structures. No temporary house, trailer, shack, tent, barn, shed, stable, poultry house or yard, rabbit hut, tree house or other outbuilding or structure of any kind, shall be permitted, constructed, installed or allowed to remain on any Unit; provided, however, that the foregoing shall not be deemed to prohibit (a) temporary structures for social functions as may be permitted from time to time by the ARC or the rules and regulations of the Board of the Master Association, (b) construction trailers and sales offices of Declarant and (c) construction trailers utilized during the construction of any Buildings. To the extent allowed by the terms and provisions of this Section 5.17, any construction trailers shall be located as inconspicuously as possible in locations approved by the ARC and shall be removed as soon as possible after completion of construction of all improvements on such Unit.

5.18 Landscaping for Parking Areas. All parking areas located on each Unit shall be landscaped in accordance with landscaping plans approved by the ARC.

5.19 Rezoning. No Owner shall seek or obtain any rezoning of such Owner's Unit without first obtaining the prior written consent of the Board to any such zoning or rezoning.

5.20 Construction of Improvements.

(a) During the construction of any improvements on a Unit, (i) such Unit shall be maintained in a clean condition, free of debris and waste material, (ii) all unused construction materials shall be stored, to the extent practicable, out of view from any roadways within the Property and (iii) all construction trash, debris and rubbish on each Unit shall be properly disposed of outside the Property at least weekly. Used construction materials may be burned on-site only in accordance with applicable Governmental Requirements and the written permission of the ARC; in no event, however, shall any used construction materials be buried on or beneath any Unit or any other portion of the Property. No Owner shall allow dirt, mud, gravel or other substances to collect or remain on any roadways within the Property. Each Owner and each Owner's contractor, subcontractors, laborers and suppliers shall cause all such dirt, mud, gravel and other substances to be removed from the treads and wheels of all vehicles used in or related to the construction of improvements on a Unit prior to such vehicles traveling on any roadways within the Property.

(b) During the construction of any improvements on a Unit, construction equipment and the vehicles of all contractors, subcontractors, laborers, materialmen and suppliers shall (i) not park within any of the Common Elements and (ii) utilize off-street parking only. No construction trucks, equipment or machinery, including any trailers used for the transportation of construction equipment or machinery, shall be parked overnight on any roadways within the Property. Upon completion of construction of any improvements on a Unit, all construction machinery, tools and equipment, all unused construction materials and all trash, debris and rubbish shall be immediately removed from the Unit and such Unit shall be kept and maintained in a clean and uncluttered condition.

(c) All improvements to a Unit shall be constructed in compliance with the Architectural Standards and all applicable Governmental Requirements. Each Owner shall be solely responsible for obtaining from the appropriate Governmental Authorities all necessary permits and licenses and otherwise paying all required fees for the construction of any improvements on such Owner's Unit. Each Owner shall also be responsible for strict compliance with the Architectural Standards and all applicable watershed protection, soil erosion and other governmental requirements, both during and after completion of construction of any improvements on such Owner's Unit.

5.21 Compliance with Governmental Requirements. Each Owner and Occupant shall at all times comply with all applicable Governmental Requirements.

5.22 Deed Restrictions. To the extent any use restrictions or density restrictions (i.e., limitations which restrict the gross building areas for any Unit) are included in the deed to any Unit, then any amendments or modifications to such restrictions must be approved in writing by such grantor (or its assignee or designee).

5.23 Common Elements. No Owner shall allow debris from such Owner's Unit to collect in or upon any of the Common Elements. Each Owner shall require all Occupants and

other agents, employees, independent contractors, invitees and licensees of such Owner and any Occupants of such Owner's Unit (including all Sub-Owners) to (a) utilize only those areas within the Common Elements which have been designated by the Master Association for smoking, (b) deposit cigarettes and all tobacco products only in those containers or receptacles which may be specifically provided for such purpose and (c) refrain from littering any portion of the Property with trash, cigarette butts or other debris; provided, however, that nothing contained herein shall be deemed to prohibit or restrict smoking inside of Buildings on any Unit. The Master Association reserves the right to establish additional rules and regulations concerning the use of any Common Elements, including imposing restrictions on the days and hours of use of the Common Elements by Owners and Occupants and restricting the use of the Common Elements to only Owners or the Sub-Owners of Sub-Units within a Unit. For example, the Master Association may limit the number of guests of an Owner of Sub-Owner or prohibit the days on which guests of an Owner of Sub-Owner may utilize any of the Common Elements within the Property. In addition, the Master Association may grant easements, licenses and other use rights to unrelated third parties to utilize any of the Common Elements on such terms and conditions as the Master Association may, in its sole and absolute discretion, determine. No Common Elements shall be obstructed by any Owner or Occupant. The Master Association may (but has no obligation to) establish a security watch for access to the Property. To the extent access cards or other devices are provided by the Master Association to any of the Owners or Occupants, such access cards shall not be duplicated and the Association may establish a reasonable charge to issue and replace the same. Each Owner and Occupant acknowledges and agrees that access to the Property may be limited or restricted by limited access devices.

5.24 Variances. Notwithstanding anything provided herein to the contrary, the ARC, in its sole and absolute discretion, shall have the exclusive right to grant variances with respect to any of the provisions this Article V. Any variance request submitted to the ARC shall be in writing and, upon approval of the same by the ARC, shall be evidenced by a written variance executed by either the chairman or vice chairman of the ARC.

5.25 Rules and Regulations. Each Owner and Occupant shall abide by and comply in all respects with any and all Rules and Regulations which may be adopted from time to time and at any time by the vote of a majority of the members of the Board of Directors. The Rules and Regulations may be amended at any time and from time to time by the unanimous vote of all of the members of the Board of Directors.

5.26 Enforcement and Remedies. In the event any of the terms and provisions of this Article V or the Rules and Regulations are breached or not otherwise being complied with in all respects by any Owner or Occupant, then the Master Association shall have the right to exercise all of the rights and remedies set forth in any of the Condominium Documents, including the imposition of reasonable monetary fines and suspension of use and voting privileges and/or exercise all other rights and remedies available to the Master Association as set forth in any of the Condominium Documents or as may be provided by law.

ARTICLE VI

ARCHITECTURAL REVIEW AND ARCHITECTURAL STANDARDS

6.01 Committee Composition. The ARC shall consist of not less than three (3) nor more than seven (7) individuals, each of whom shall be appointed or elected as provided in Section 6.02 below. The individuals designated to serve on the ARC may, but shall not be required to be, Owners or Occupants. The regular term of office for each member of the ARC shall be one (1) year, coinciding with the fiscal year of the Master Association. Any member of the ARC may be removed with or without cause in the manner provided in Section 6.02 below.

6.02 Appointment and Removal of ARC Members. The Board shall have the right to appoint and remove all individuals who will serve on the ARC. Any individual appointed as a member of the ARC by the Board may be removed, with or without cause, at any time by the Board. In the event of the death or resignation of a member of the ARC, then the Board shall appoint a substitute member of the ARC to fill such vacancy. Any individual appointed by the Board to serve on the ARC shall be deemed an agent of the Master Association.

6.03 Procedure and Meetings. The ARC shall elect a chairman and he or she, or in his or her absence, any vice-chairman so elected, shall be the presiding officer at all meetings of the ARC. The ARC shall meet on a regular basis as well as upon call of the chairman or vice-chairman and all such meetings shall be held at such places as may be designated by the chairman or vice-chairman. The presence, either in person or by proxy, of a majority of the total number of members of the ARC shall constitute a quorum of the ARC for the transaction of business and the affirmative vote of a majority of those present in person or by proxy at a meeting of the ARC shall constitute the action of the ARC on any matter which comes before it. The ARC is authorized to retain the services of consulting architects, landscape architects, designers, engineers, inspectors and/or attorneys in order to advise and assist the ARC in performing its functions set forth herein. Any such costs and expenses incurred by the ARC which are not paid by Owners as part of the plan review fee established from time to time by the ARC shall constitute Common Expenses. Each member of the ARC may be paid a stipend or honorarium as may from time to time be determined by the Board and shall otherwise be entitled to a reimbursement of expenses incurred on behalf of the ARC, subject to the approval of such expenses by the Board. The ARC shall have the right from time to time to adopt and establish such rules and regulations as may be determined to be necessary concerning the procedure, notice of meetings and all other matters concerning the conduct of the business of the ARC, including, without limitation, the right to designate one (1) person to act on behalf of the entire ARC in all matters in which the ARC is granted the right to act under the terms of this Master Declaration.

6.04 Architectural Standards. The ARC is hereby authorized to promulgate and amend and modify from time to time written Architectural Standards governing policies, guidelines and minimum requirements to be satisfied with respect to the construction, location, landscaping and design of all Buildings and any exterior improvements on any Unit, the content and manner in which plans and specifications and other documentation and information concerning the construction of any improvements on a Unit are to be submitted to and approved by the ARC and any other matters affecting the construction, repair or maintenance of any improvements on any Unit. The Architectural Standards and any and all amendments thereto adopted from time to time by the ARC

shall be in addition to the provisions and requirements set forth in this Master Declaration and shall be binding upon and enforceable against all Owners.

6.05 Approval of Plans and Specifications.

(a) IN ORDER TO PRESERVE THE ARCHITECTURAL AND AESTHETIC APPEARANCE AND THE NATURAL SETTING AND BEAUTY OF THE PROPERTY, TO ESTABLISH AND PRESERVE A HARMONIOUS DESIGN FOR THE PROPERTY AND TO PROTECT AND PROMOTE THE VALUE OF THE PROPERTY, NO BUILDINGS OR OTHER EXTERIOR IMPROVEMENTS OF ANY NATURE, INCLUDING, WITHOUT LIMITATION, LANDSCAPING, SHALL BE COMMENCED, ERECTED, INSTALLED, PLACED, MOVED ONTO, ALTERED, REPLACED, RELOCATED, PERMITTED TO REMAIN ON OR MAINTAINED ON ANY UNIT WHICH AFFECT THE EXTERIOR APPEARANCE OF ANY UNIT, THE BUILDINGS THEREON OR WHICH ARE OR COULD BE VISIBLE FROM ANY COMMON ELEMENTS UNLESS PLANS AND SPECIFICATIONS FOR THE SAME HAVE BEEN SUBMITTED TO AND APPROVED BY THE ARC IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF SECTION 6.05(b) BELOW. WITHOUT LIMITING THE FOREGOING, THE CONSTRUCTION AND INSTALLATION OF ANY BUILDINGS, STRUCTURES, SIDEWALKS, DRIVEWAYS, PARKING LOTS, MAILBOXES, DECKS, PATIOS, COURTYARDS, SWIMMING POOLS, TENNIS COURTS, GREENHOUSES, PLAYHOUSES, PLAY EQUIPMENT, AWNINGS, WEATHER VANES, WALLS, FENCES, EXTERIOR LIGHTS, GARAGES, GUEST OR SERVANT'S QUARTERS, GARAGES OR ANY OTHER OUTBUILDINGS OR SIMILAR IMPROVEMENTS AND LANDSCAPING SHALL NOT BE UNDERTAKEN, NOR SHALL ANY EXTERIOR ADDITION TO OR CHANGE OR ALTERATION TO ANY EXISTING IMPROVEMENTS OR LANDSCAPING ON A UNIT BE MADE (INCLUDING, WITHOUT LIMITATION, PAINTING OR STAINING OF ANY EXTERIOR SURFACE OR REMOVING OR INSTALLING ANY LANDSCAPING ON A UNIT), UNLESS THE PLANS AND SPECIFICATIONS FOR THE SAME HAVE BEEN SUBMITTED TO AND APPROVED BY THE ARC IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF SECTION 6.05(b) BELOW. The foregoing provisions of this Article VI shall also apply to any improvements to a Sub-Unit which a Sub-Unit Owner or Occupant of a Sub-Unit desires to make to a Sub-Unit to the extent such improvements are or could be visible from any of the Common Elements.

(b) The ARC is hereby authorized and empowered to approve all plans and specifications and the construction of all Buildings and other exterior improvements on any Unit or Sub-Unit, including any improvements on or within any Unit or Sub-Unit which are or could be visible from any of the Common Elements. Prior to the commencement of any such Buildings or other improvements on any Unit, the Owner thereof shall submit to the ARC plans and specifications and related data for all such improvements, which shall include the following:

(i) Three (3) copies of a professionally and accurately drawn and dimensioned site development plan indicating the location of any and all improvements, including, specifically, any Buildings to be constructed on said Unit, the location of all driveways, walkways, decks, terraces, parking area, patios and

outbuildings and the relationship of the same to any set-back requirements applicable to the Unit;

(ii) Three (3) copies of a foundation plan, floor plans, exterior lighting plans and exterior elevation drawings of the front, back and sides of the improvements to be constructed on the Unit;

(iii) Three (3) copies of written specifications and, if requested by the ARC, samples indicating the nature, color, type, shape, height and location of all exterior materials to be used in the construction of such improvements, including, without limitation, the type and color of all brick, stone, stucco, roofing and other materials to be utilized on the exterior of all improvements and the color of paint or stain to be used on all doors, shutters, trim work, eaves and cornices on the exterior of such improvements;

(iv) Three (3) copies of a landscaping plan prepared and submitted in accordance with the provisions of Section 6.06 below, together with the irrigation (underground sprinkler) plan for such Unit; and

(v) Such other plans, specifications or other information or documentation as may be required by the ARC or the Architectural Standards.

(c) The ARC shall, in its sole and absolute discretion, determine whether the plans and specifications and other data submitted by any Owner for approval are acceptable. The ARC shall have the right to disapprove any plans and specifications upon any ground which is consistent with the objectives and purposes of this Master Declaration, including purely aesthetic considerations, any failure to comply with any of the provisions of this Master Declaration or the Architectural Standards, failure to provide requested information, objection to exterior design, appearance or materials, objection on the ground of incompatibility of any such proposed improvement with the scheme of development proposed for the Property, objection to the location of any proposed improvements on any such Unit, objection to the landscaping plan for such Unit, objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of any improvements or any other matter which, in the sole and absolute judgment of the ARC, would render the proposed improvements inharmonious with the general plan of development contemplated for the Property. The ARC shall have the right to approve any submitted plans and specifications with conditions or stipulations by which the Owner of such Unit shall be obligated to comply and must be incorporated into the plans and specifications for such improvements. Approval of plans and specifications by the ARC for improvements to one particular Unit shall not be deemed an approval or otherwise obligate the ARC to approve similar plans and specifications or any of the features or elements for the improvements for any other Unit. One copy of all plans, specifications and related data so submitted to the ARC shall be retained in the records of the ARC and the other two (2) copies shall be returned to the Owner submitting the same marked "approved", "approved as noted" or "disapproved". Notwithstanding anything provided herein to the contrary, an Owner may make interior improvements and

alterations within such Owner's Building without the necessity or requirement that the approval or consent of the ARC be obtained so long as such improvements and alterations do not affect the exterior appearance of such Building. Notwithstanding anything provided herein to the contrary, any Sub-Owner or Occupant of a Sub-Unit may make interior improvements and alterations within the Sub-Unit of such Sub-Owner or Occupant without the necessity or requirement that the approval or consent of the ARC be obtained so long as such improvements and alterations are not visible from any of the Common Elements.

(d) The ARC shall establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, designers, engineers, inspectors and/or attorneys retained in order to approve such plans and specifications and to monitor and otherwise enforce the terms hereof. Such fee or fees shall be paid by the Owner who is seeking approval of plans and specifications. If the ARC, in its sole discretion, determines that, in the construction of any improvements to a Unit, such Owner or such Owner's agents, employees or independent contractors, fail to abide by all of the terms and provisions of this Master Declaration and any of the Architectural Standards, then such failure shall constitute a breach of this Master Declaration and the Association shall have the right to exercise all rights and remedies set forth in this Master Declaration or as may be provided at law or in equity.

(e) In the event the ARC fails to approve in writing any proposed plans and specifications within thirty (30) days after such plans and specifications have been submitted, then the plans and specifications so submitted to the ARC will be deemed to have been disapproved.

(f) Any revisions, modifications or changes in any plans and specifications previously approved by the ARC must be approved by the ARC in the same manner specified above.

6.06 Landscaping Approval. In order to preserve, to the extent practicable, the natural landscaping and plant life currently situated on the Property and in order to enhance the aesthetic appearance of the Property, no landscaping, grading, excavation or fill work of any nature shall be implemented or installed by any Owner (other than by Declarant) on any Unit unless and until landscaping plans therefore have been submitted to and approved by the ARC. Furthermore, no existing landscaping on a Unit shall be removed and no new or additional landscaping shall be added to any Unit unless the same has been approved by the ARC.

6.07 Construction Without Approval. If (a) any improvements are initiated, installed, maintained, altered, replaced or relocated on any Unit without ARC approval of the plans and specifications for the same or (b) the ARC shall determine that any approved plans and specifications for any improvements or the approved landscaping plans for any Unit are not being complied with, then, in either event, the Owner of such Unit shall be deemed to have violated this Master Declaration and the Master Association shall have the right to exercise any of the rights and remedies set forth in Section 6.11 below.

6.08 Inspection. The ARC and any agent, employee or representative thereof may at any reasonable time and from time to time enter upon and inspect any Unit or any improvements being constructed thereon in order to determine whether the approved plans and specifications therefore are being complied with. Any such entry shall not be deemed to be a trespass or any other wrongful act by the ARC.

6.09 Subsurface Conditions. Each Owner, for itself and its successors and assigns, including all Sub-Owners and Occupants of an Unit or Sub-Unit, by acceptance of a deed to any Unit, (i) shall be deemed to have accepted such Unit in its current "AS IS" condition and acknowledges and agrees that neither Declarant, the Master Association nor the ARC has and shall have any further obligations of any nature with respect to storm water drainage or runoff onto or from such Unit, (ii) covenants and agrees that each Unit owned by such Owner and all improvements thereto shall at all times be maintained in strict compliance with (1) all soil erosion protection requirements of all applicable governmental authorities, including, without limitation, the Alabama Department of Environmental Management ("ADEM") and (2) all storm water drainage and runoff requirements and regulations of, and any permits obtained by Declarant from, all applicable Governmental Authorities, including, without limitation, any NPDES permits issued by ADEM with respect to the Property and (iii) accepts the existing storm water drainage improvements and facilities, if any, on each Unit and acknowledges and agrees that neither Declarant, the Master Association nor the ARC has and shall not have any further obligation or liability of any nature to construct additional storm water drainage improvements on any Unit. Each Owner does hereby irrevocably and unconditionally waive, release and forever discharge Declarant, the Master Association and the ARC and their respective agents, employees, Members, officers, directors, shareholders, mortgagees, successors and assigns, of and from any and all actions, causes of action, claims, potential claims, demands, agreements, covenants, suits, obligations, controversies, accounts, damages, costs, expenses, losses and liabilities of every kind and nature, known or unknown, arising out of or result of any storm water or drainage matters affecting any of the Unit owned by such Owner. Each Owner shall and does indemnify, defend and agree to hold harmless Declarant, the Master Association, the ARC and their respective agents, employees, members, officers, directors, shareholders, members, managers and representatives, from and against any and all damages, demands, claims, costs and expenses, including reasonable attorneys' fees and expenses, suffered, paid or incurred by any of them in connection with any action, suit or proceeding (including the settlement of any suit or proceeding) resulting from or arising out of such Owner's failure to fully and faithfully perform its obligations under this Section 6.09. The approval of plans and specifications by the ARC for any improvements on a Unit shall not be construed in any respect as a representation or warranty by the ARC or Declarant to the Owner submitting such plans or to any of the successors or assigns of such Owner that the surface or subsurface conditions of such Unit are suitable for the construction of the improvements contemplated by such plans and specifications. It shall be the sole responsibility of each Owner to determine the suitability and adequacy of the surface and subsurface conditions of any Unit for the construction of any contemplated improvements thereon.

6.10 Limitation of Liability. Notwithstanding anything provided herein to the contrary, (a) neither Declarant, the ARC, the Master Association, nor any agent, employee, Member Representative, member, shareholder, partner, officer or director thereof shall have any liability of any nature whatsoever for, and (b) each Owner, by acceptance of a deed to any Unit, does hereby

irrevocably and unconditionally waive and release Declarant, the ARC, the Master Association and each agent, employee, representative, Member, member, shareholder, partner, officer and director thereof from, any and all damage, loss, action, cause of action, liability, expense or prejudice suffered, claimed, paid or incurred by any Owner on account of (i) any defects in any plans and specifications submitted, reviewed or approved in accordance with the provisions of this Article VI, (ii) any defects, structural or otherwise, in any work done according to such plans and specifications, (iii) the failure of the ARC to approve or the disapproval of any plans, drawings, specifications or other data submitted by any Owner for approval pursuant to the provisions of this Article VI, (iv) the construction or performance of any work related to such plans, drawings and specifications, (v) bodily injuries (including death) to any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner or Occupant, or any damage to any improvements or the personal property of any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of such Owner or Occupant, which may be caused by, or arise as a result of, any defect, structural or otherwise, in any improvements or the plans and specifications therefore, or any past, present or future soil and/or subsurface conditions, known or unknown (including, without limitation, sinkholes, underground mines, tunnels and water channels and limestone formations on or under any Unit) and (vi) any other loss, claim, damage, liability or expense, including court costs and attorneys' fees, suffered, paid or incurred by any Owner arising out of or in connection with the use and occupancy of any Unit, or any improvements situated thereon.

6.11 Enforcement and Remedies. In the event any of the provisions of this Article VI are breached or are not otherwise being complied with in all respects by any Owner or Occupant or the respective family members, guests, invitees, agents, employees or contractors of any Owner or Occupant, then the Master Association shall have the right, at its option, to (a) enjoin any further construction on any Unit and require the removal or correction of any work in place which does not comply with the plans and specifications approved by the ARC for such improvements and/or (b) through its designated agents, employees, representatives and independent contractors, enter upon such Unit and take all action necessary to extinguish such violation or breach. All costs and expenses incurred by the ARC or the Master Association in enforcing any of the provisions of this Article VI including, without limitation, attorneys' fees, court costs, costs and expenses of witnesses, engineers, architects, designers, land planners and any other persons involved in the correction of nonconforming work, the completion of uncompleted work or in any judicial proceeding, together with any other costs or expenses incurred by the ARC or the Master Association in causing any Owner or such Owner's contractors, agents or invitees to comply with the terms and provisions of this Article VI, shall be paid by such Owner, shall constitute an Individual Assessment to such Owner pursuant to the provisions of Article IX below and, if the same is not paid when due, shall be subject to the lien provided for in Article IX below and be subject to foreclosure as provided for therein. Notwithstanding anything provided herein to the contrary, the rights and remedies of the Master Association set forth in this Section 6.11 shall not be deemed exclusive of any other rights and remedies which the Master Association may exercise at law or in equity or any other rights and remedies specified in this Master Declaration.

6.12 Compliance Certification. The ARC (or any authorized representative thereof) shall, upon request and at such reasonable charges as may from time to time be adopted by the Board, furnish to an Owner a certificate in writing setting forth whether all necessary ARC

approvals have been obtained and whether any improvements have been constructed in accordance with the provisions of this Master Declaration.

ARTICLE VII

MAINTENANCE RESPONSIBILITIES

7.01 Maintenance by Master Association. Subject to the remaining terms and provisions of this Section 7.01, the Master Association shall maintain, as a Common Expense, all of the Condominium not required to be maintained and kept in good order by an Owner; provided, however that notwithstanding anything provided in this Section 7.01 to the contrary, the costs of any maintenance, repair or replacement incurred or undertaken by the Master Association caused by the willful or negligent acts of any Owner (or any Owner's Occupants) may be assessed against such Owner as an Individual Assessment in the manner set forth in Section 9.05 hereof. Any such Individual Assessment shall be a lien against the Unit in the same manner as Common Expense Assessments.

7.02 Maintenance by Owners. Unless such responsibility is specifically assigned to or assumed in writing by the Master Association, each Owner shall be solely responsible for the maintenance, repair and replacement of all portions of such Owner's Unit, including all Buildings and other improvements situated thereon, all of the Private Elements within such Unit, as defined in Exhibit I hereto, all Utility Lines serving such Unit and situated within the Unit boundaries of such Unit any other improvements or betterments installed by any Owner or Occupant in or upon such Unit.

7.03 Covenants of Owners. Each Owner covenants and agrees as follows:

(a) To promptly perform in a good and workable manner, all maintenance, repairs and replacements that are the obligations of the Owner under this Master Declaration and the Act.

(b) To (i) obtain, post all necessary deposits and promptly pay for all Utility Services used within the Unit and (ii) promptly pay all taxes levied against the Unit of such Owner.

(c) To allow the Master Association, its agents, employees and representatives, to at all times enter upon any Unit for the purpose of maintaining, inspecting, repairing or replacing any Common Elements therein or thereto or to determine compliance with the provisions of the Condominium Documents.

(d) To promptly report to the Master Association any defects or needed repairs for which the Master Association is responsible.

(e) To reimburse the Master Association for any repairs or replacements to any portion of the Condominium which the Master Association determines are necessary or made necessary because of abuse or neglect by such Owner or such Owner's Occupants or their respective contractors and invitees.

(f) To promptly pay when due all Common Expense Assessments and other Master Assessments hereto payable by such Owner.

(g) To at all times comply with the terms and provisions of the Rules and Regulations.

(h) To comply with all of the terms, provisions, covenants, restrictions and requirements of the Act.

7.04 Contracts for Maintenance. The Master Association (by action of the Board of Directors) may enter into one or more contracts with any Person for the maintenance and repair of any portions of the Common Elements for which the Master Association is responsible, subject, in all events, to the terms and provisions of the Act. Any budget for Common Expenses adopted by the Board of Directors pursuant to the terms and provisions of Section 9.03 below shall, unless the same is disapproved by the Owners as provided in the Bylaws, be binding upon all Owners and the Master Association shall be authorized to enter into any and all contracts and agreements necessary to implement the same.

7.05 Covenants and Agreements Regarding Declarant-Owned Units. Until Declarant has completed all the contemplated improvements, to and closed the sale of all Units within, the Condominium owned by Declarant, neither the Master Association, any Owner or Occupant nor the use of the Condominium by any Owner or Occupant shall interfere with the completion of the contemplated improvements and the sale of Units by Declarant. Further, until such time as Declarant completes the sale of all of the Units, Declarant reserves the right to prohibit access to any portion of the Common Elements or incompleated Units by any Owners or Occupants and to utilize any portion of the Common Elements and any Units owned by Declarant in connection with such construction and development. Declarant may make use of any and all Units owned by Declarant and any of the Common Elements as may be necessary to facilitate completion of the sale of Units, including but not limited to, the maintenance of sales offices in any Units owned by Declarant, the showing of any Units owned by Declarant for sale or lease to third Persons, the display of signs for the sale or leasing of Units owned by Declarant and the rental of any unsold Units owned by Declarant. The sales offices, the furniture and furnishings in all model units, signs and all items pertaining to sales shall not become a Common Element and shall remain the property of Declarant. Declarant shall have the absolute right to rent or lease Units owned by Declarant.

ARTICLE VIII

MASTER ASSOCIATION

8.01 Operation and Administration. The operation and administration of the Condominium shall be performed by the Master Association. Except as otherwise expressly provided to the contrary in the Condominium Documents, all rights and powers of the Master Association hereunder and under all of the other Condominium Documents shall be exercised solely by the Board of Directors without requirement that the vote or consent of any Owners be obtained. The powers of the Master Association include all of those powers enumerated in the Act and in the Condominium Documents, including, without limitation, the right to assign its future income (including the right to

receive Common Expense Assessments and Special Assessments) for the purpose of securing the repayment of funds borrowed or indebtedness incurred by the Master Association.

8.02 Membership and Voting Rights.

(a) Each Owner shall be a member of the Master Association for so long as such Owner owns a Unit; provided, however, that an Owner shall continue to be deemed a member of the Master Association until such time as a deed or other instrument transferring fee title to a Unit is recorded in the Probate Office and a copy thereof is provided to the Master Association, in which event all membership rights of the prior Owner in the Master Association shall thereby be terminated. Membership in the Master Association shall be appurtenant to and may not be separated from ownership of a Unit.

(b) Subject to the terms and provisions of this Master Declaration and the other Condominium Documents, the Owners shall be entitled to vote on all of those matters upon which the Owners are entitled to vote on pursuant to any of the Condominium Documents. The voting rights of the Owners are specified in the Bylaws, a copy of which is attached hereto as **Exhibit F** and incorporated herein by reference.

8.03 Declarant's Right to Appoint Directors and Officers.

(a) Notwithstanding anything provided in any of the Condominium Documents to the contrary, during the Declarant Control Period, Declarant will have the sole and exclusive right to appoint, remove and designate the officers and certain members of the Board as set forth in the Bylaws. As used herein, the term "**Declarant Control Period**" shall mean, subject to the provisions of **Sections 8.03(b)** and **8.03(c)** below, the period of time commencing as of the date of this Master Declaration and continuing until the earlier of either (i) 60 days after conveyance of seventy-five percent (75%) of all Units which may be created pursuant to this Master Declaration to Owners other than Declarant; (ii) two (2) years after Declarant has ceased to offer Units for sale in the ordinary course of business; or (iii) two (2) years after any Development Right to add new Units was most recently exercised by Declarant. All Board Members shall be elected and (shall be subject to removal) as provided in the Bylaws.

(b) Notwithstanding the provisions of **Section 8.03(a)** above, no later than 90 days after the conveyance of twenty-five percent (25%) of all Units which may be created pursuant to this Master Declaration to Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by Owners other than Declarant. No later than ninety days (90) after the conveyance of fifty percent (50%) of all Units which may be created pursuant to this Master Declaration to Owners other than Declarant, not less than 33-1/3 percent (33-1/3%) of the members of the Board must be elected by Owners other than Declarant. For the purposes of this **Section 8.03(b)**, the references herein to the conveyance of twenty-five percent (25%) and fifty percent (50%) of all Units are references to the total number of Units and shall refer to the actual number of Units within the Condominium without regard to the Allocated Interests of the Units. Each Owner acknowledges and agrees that the requirements of this **Section 8.03(b)** shall be deemed satisfied if (i) following the sale by Declarant of at least twenty-five percent (25%) or fifty percent (50%) in number of all Units which may be created pursuant to this

Master Declaration to Owners other than Declarant, at least one (1) Board Member is elected by the vote of the Owners (other than Declarant) and (ii) Declarant retains the right to appoint and remove the remaining Board Members until the end of the Declarant Control Period. Notwithstanding anything provided to the contrary in Sections 8.03(a) and 8.03(b) of this Master Declaration, Declarant may, in its sole and absolute discretion, voluntarily surrender the right to appoint and remove officers and members of the Board prior to the termination of the Declarant Control Period; provided, however, that in such event, Declarant may require, in an instrument executed and recorded by Declarant in the Probate Office, that, for the duration of the Declarant Control Period, specific actions by or on behalf of the Master Association and Board be subject to the approval of Declarant prior to the same becoming effective.

8.04 No Lien Against Master Association Funds. No Owner shall permit such Owner's interest in any funds which from time to time may be in the possession of or paid to the Master Association, the Board or Managing Agent, to be subjected to any attachment, lien, claim, charge or other legal process and each Owner shall promptly restore any funds held by the Master Association, the Board or the Managing Agent to the extent depleted by reason of the assertion of any such attachment, lien, claim, charge or other legal process and shall reimburse the holders of such funds for all reasonable costs and expenses, including attorneys' fees and expenses, incurred with respect thereto.

8.05 Management Agreement. The Master Association shall have the right, at any time and from time to time, to enter into a contract or agreement with any Person to serve as the Managing Agent of the Master Association, which Managing Agent shall have the right to exercise any and all of the rights of the Master Association specified herein. Declarant or any Person affiliated with Declarant may be employed as the Managing Agent of the Master Association, at such compensation and on such terms as would be usual, customary and obtainable in an arms-length transaction with any third party providing comparable services.

ARTICLE IX

MASTER ASSESSMENTS

9.01 Creation of Lien and Liability for Master Assessments. The Master Association is hereby authorized to make, levy and collect the Master Assessments. Each Owner, by acceptance of a deed to a Unit or other instrument conveying any interest therein, regardless of whether such deed or instrument contains a reference to this Master Declaration, is hereby deemed to covenant and agree to pay to the Master Association its share of all Master Assessments levied against such Owner's Unit. To the extent any Owner fails to timely pay its share of all Master Assessments, then, in addition to the Master Assessments payable by such Owner to the Master Association, such Owner shall also pay to the Master Association late charges and interest at the Applicable Rate and all court costs and attorneys' fees and expenses incurred by the Master Association to enforce or collect such Master Assessments. Subject to the provisions of Section 9.11 below, all Master Assessments payable by an Owner to the Master Association, together with late charges and interest at the Applicable Rate and all court costs and attorneys' fees and expenses incurred by the Master Association to enforce and collect such Master Assessments, if any, shall be a charge and a continuing lien upon each such Unit. Each Owner and his or her grantees shall take title to such Unit subject to the equitable charge and continuing lien for the payment of all Master

Assessments, but without prejudice to the rights of such grantee to recover from his or her grantor any amounts paid by such grantee to the Master Association which were the legal obligations of the grantor. Subject to the provisions of Section 9.11 below, all Master Assessments payable by each Owner, together with late charges and interest at the Applicable Rate and court costs and attorneys' fees and expenses incurred with respect thereto by the Master Association, if any, shall also be a personal obligation of the Person who was the Owner of the Unit at the time such Master Assessments and other costs and charges were assessed or incurred. In the event of co-ownership of any Unit, all of the co-owners shall be jointly and severally liable for the entire amount of the Master Assessments assessed against such Unit. Master Assessments shall commence as to each Unit as provided in Section 9.06 below and shall be paid in such manner and on such dates as may be fixed by the Board. All Master Assessments shall be payable in all events without offset, diminution or abatement by reason of (a) fire or other casualty or any taking as a result of, in lieu of or anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof with respect to any portion of the Condominium, (b) any claim by any Owner of abandonment, non-use or waiver of the use or enjoyment of a Unit or any part of the Common Elements, (c) inconvenience or discomfort arising from the making of any repairs or improvements, (d) any alleged failure of Declarant, the Master Association, the Board or the Managing Agent to take some action or perform some function required by the terms of the Condominium Documents or (e) any other reason whatsoever.

9.02 Rate of Master Assessments. Both Common Expense Assessments and Special Assessments shall be assessed to, and payable by, all Owners in accordance with each Unit's respective Allocated Interest. Notwithstanding anything provided in this Master Declaration to the contrary, in the event the Declarant exercises any of the Development Rights to increase the number of Units within the Condominium or to divide one or more Units into two (2) or more Units or to combine any two (2) or more of the Units into one (1) Unit, then all subsequent Common Expense Assessments and Special Assessments and any Common Expense Assessments and Special Assessments which have been previously levied but are payable in installments which have not yet been paid will be recomputed in accordance with the new Allocated Interest attributable to each Unit; provided, however, that the creation of Sub-Units within any Unit pursuant to a Sub-Declaration shall not be deemed to be a subdivision of any Unit or otherwise alter or change the amount of Master Assessments payable by that applicable Unit. In no event shall any Common Expenses Assessments or Special Assessments previously paid by any Owners which are allocable to any periods of time prior to any such recomputation of the Allocated Interest be subject to any refund to any of the Owners.

9.03 Common Expense Assessments.

(a) Subject to the remaining terms and provisions of this Section 9.03, Common Expense Assessments must be made at least annually by the Master Association. Unless otherwise expressly provided by the Board, all Common Expense Assessments and any Special Assessments shall be due and payable in advance each year. Subject to the remaining terms and provisions of this Section 9.03, the Board shall determine, prepare, adopt and approve annually an annual budget covering the estimated Common Expenses for the Condominium for the upcoming year, which budget may include a contribution or reserve account. Thereafter, the budget for

Common Expenses shall be deemed approved unless disapproved by the Owners as provided in the Bylaws.

(b) Following approval or deemed approval of each annual budget by the Owners in the manner provided in the Bylaws, each Owner shall, subject to the provisions of Section 9.11 below, pay his or her Allocated Interest of the amounts set forth in each applicable annual budget as the projected Common Expenses for such year. As used herein, the term "Common Expense Assessment" shall mean and refer collectively to each Owner's share of Common Expenses equal to the Allocated Interest for such Owner's Unit.

(c) The failure of the Board to adopt an annual budget for Common Expenses or the failure of the Board to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification or release of any Owner from the obligation to pay Master Assessments. In such event, however, each Owner shall continue to pay Common Expense Assessments on the same basis as were paid during the immediately preceding year until such time as a new Common Expense Assessment is levied, at which time the Master Association may retroactively assess Owners for any shortfalls in collections.

(d) Any surplus funds of the Master Association remaining after payment of or provision for Common Expenses in any year and the prepayment of any reserves determined from time to time to be necessary or required by the Master Association shall be retained by the Master Association for disposition as determined by the Board of Directors, including, without limitation, for contribution to reserves, contribution to capital or rollover for allocation to, and/or application as a credit for payment of, subsequent years' Common Expenses.

(e) Subject to the provisions of Section 9.11 below, Common Expense Assessments shall be due and payable by each Owner at such time or times as the Board may determine, in its discretion, each year. The Board may, in its discretion, require that Common Expense Assessments and Special Assessments be payable either monthly, quarterly, semi-annually or annually in advance each year.

9.04 Special Assessments In addition to the Common Expense Assessments authorized pursuant to Section 9.03 above, the Board shall have the right and power to levy and collect special assessments ("Special Assessments") in any year to cover unbudgeted Common Expenses or any extraordinary costs including, without limitation, costs which are or will be incurred for capital improvements which are not paid for from the Common Expense Assessments. Subject to the provisions of Section 9.11 below, Special Assessments shall be assessed against all Units in accordance with the terms and provisions of Section 9.02 above. Any Special Assessments must be approved by the vote of a majority in interest of Owners represented at a duly convened meeting of the Master Association or a ballot vote held in accordance with the terms and provisions of the Bylaws. The Board may make Special Assessments payable in one lump sum or installments over a period of time which, in the Board's discretion, may extend beyond the then fiscal year in which such Special Assessments are levied and assessed.

9.05 Individual Assessments The Master Association may, at any time and from time to time, levy and assess against any Owner an individual assessment ("Individual Assessment")

for any of the following: (a) any costs or expenses paid or incurred by the Master Association, including, without limitation, professional engineering and architectural fees and expenses and any administrative costs and expenses incurred by or on behalf of the Master Association as a result of the failure of any Owner, Occupant or any of their respective invitees and contractors to at all times observe and perform their respective duties and obligations under this Master Declaration, (b) any maintenance, repair or replacement costs or expenses incurred by the Master Association as a result of the willful or negligent acts of any Owner or any Owner's Occupants, (c) reasonable monetary fines which may be established and revised from time to time by the Board as a result of the violation or breach of any of the terms and provisions of this Master Declaration or the Rules and Regulations by any Owner, Occupant or any of their respective invitees and contractors and (d) any costs, charges or other amounts payable by any Owner for any special services which the Master Association may have contracted for which have been or will be provided to such Owner by the Master Association. Any Individual Assessments levied pursuant to the terms and provisions of this Section 9.05 shall be levied by the Board and the amount and due date of such Individual Assessments shall be specified by the Board in a written notice to such Owner. Notwithstanding anything provided in this Section 9.05 to the contrary, prior to any levy of an Individual Assessment by the Master Association against any Owner, such Owner shall be provided with written notice of the possible levy of an Individual Assessment as well as the opportunity for such Owner to appear before the Board and be heard, all as more particularly provided in the Bylaws.

9.06 Date of Commencement of Master Assessments. The Board shall determine the date on which Common Expense Assessments and Special Assessments shall first be levied to Owners. If the initial Common Expense Assessment is made for any period of time shorter than one (1) year, then the initial Common Expense Assessment shall be prorated for the remainder of the year in which such Common Expense Assessment is first made.

9.07 Effect of Nonpayment; Remedies of the Master Association.

(a) Subject to the provisions of Section 9.11 below, the Master Association is hereby granted a continuing lien, with power of sale, upon each Unit and its appurtenant undivided interest in the Common Elements, which lien secures the payment of all Master Assessments now or hereafter levied or subject to being levied against such Unit or the Owner of such Unit, together with all late charges and all attorneys' fees and expenses, court costs and all other expenses paid or incurred by the Master Association, including, without limitation, any and all administrative expenses incurred by the Master Association in connection with attempts to collect any unpaid Master Assessments, together with interest thereon at the Applicable Rate.

(b) To the extent any Master Assessments are not paid when due, then the unpaid portion of such Master Assessments shall bear interest from and after the due date of the same at the Applicable Rate. In addition, the Board may adopt and change from time to time a late charge which will be assessed against any Owner and the Unit of any Owner who fails to pay Master Assessments within 15 days from the due date of such Master Assessments, which late charge shall be in addition to interest on the unpaid portion of the Master Assessments at the Applicable Rate.

(c) In the event any Master Assessments are payable in installments, the entire amount of all installments of such Master Assessments shall constitute a lien from the time the

first installment of such Master Assessments becomes due and payable and, upon any default in the payment of any installment of such Master Assessments, then, subject to the provisions of Section 9.11 below, all remaining unpaid installments shall be immediately due and payable in full and shall accrue interest at the Applicable Rate from and after the due date for the payment of the installment which has not been timely paid.

(d) In the event the Master Association pays or incurs any costs or expenses in connection with its attempts to collect any unpaid Master Assessments or enforce any of the terms and provisions of this Master Declaration or the Rules and Regulations, including, without limitation, any and all attorneys' fees and expenses, court costs, any and all administrative expenses incurred by or on behalf of the Master Association and any other costs and expenses of any nature paid or incurred by the Master Association, then, subject to the provisions of Section 9.11 below, such costs and expenses shall (i) also constitute Master Assessments hereunder which are due and payable on demand, (ii) be secured by the lien granted pursuant to Section 9.07(a) above and (iii) shall bear interest at the Applicable Rate from and after the date on which the Master Association paid or incurred any such costs or expenses.

(e) Subject to the provisions of Section 9.11 below, the lien granted pursuant to Section 9.07(a) above to the Master Association may be foreclosed by the Master Association in the same manner as real estate mortgages containing a power of sale may be foreclosed in the State of Alabama; provided, however, that the Master Association shall give reasonable advance notice of its proposed action to foreclose to the Owner and all lienholders of record of the affected Unit. The lien granted to the Master Association shall also secure advances made by the Master Association for the payment of taxes and payments on account of superior Mortgages, liens or encumbrances which may be required to be advanced or paid by the Master Association in order to protect and preserve its lien. Any and all amounts paid or incurred by the Master Association in connection with the protection of its lien shall bear interest at the Applicable Rate from the date the same were paid or incurred by the Master Association and shall be secured by the lien created pursuant to Section 9.07(a) above.

(f) Subject to the provisions of Section 9.11 below, the lien granted herein to the Master Association shall be effective from and after the time that this Master Declaration has been recorded in the Probate Office and no further recordation to any claim of lien for Master Assessments under this Section 9.07 shall be required.

(g) In addition to the lien rights and foreclosure rights specified in this Section 9.07, the Master Association may, subject to the provisions of Section 9.11 below, exercise all other rights and remedies available at law or in equity in the event any Owner fails to pay Master Assessments when due or otherwise violates any of the terms and provisions of this Master Declaration. Any judgment rendered in such action shall include late charges, if any, interest on the unpaid amount due to the Master Association calculated at the Applicable Rate from and after the date on which such payment was due, together with attorneys' fees and expenses, court costs and all other costs and expenses paid or incurred by the Master Association in connection therewith, together with interest thereon at the Applicable Rate from and after any such costs and expenses were incurred or paid by the Master Association.

(h) The Master Association shall have the right and power to bid at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, convey and sell any Unit.

(i) In addition to the other rights and remedies set forth in this Master Declaration, in the event any Owner fails to pay any Master Assessments by the due date for the payment of such Master Assessments, then, subject to the provisions of Section 9.11 below, until all Master Assessments due and owing by such Owner have been paid in full, all voting rights of such Owner under this Master Declaration or any of the other Condominium Documents shall be suspended, such Owner's voting rights shall not be counted in determining whether a quorum exists or whether the requisite number of votes have been voted in any vote of the Owners.

9.08 Priority of Lien.

(a) The lien for Master Assessments and other charges authorized herein with respect to any Unit (or Sub-Unit) shall be superior to all other liens, except: (i) liens and encumbrances affecting a Unit recorded before the recordation of this Master Declaration; (ii) subject to the terms and provisions of Section 9.08(b) below, the lien of any first-in-priority Mortgage encumbering a Unit (or Sub-Unit) and (iii) liens for real estate taxes and other governmental assessments or charges against the Sub-Unit.

(b) In the event any Mortgagee exercises the foreclosure rights provided in its first-in-priority Mortgage and at such foreclosure sale either acquires title to or sells to a third party its interest in a Unit (or Sub-Unit), then such Mortgagee or its purchaser or transferee at such foreclosure sale shall (i) be liable for the payment of any accrued but unpaid Common Expense Assessments which may have accrued for up to, but not more than, six (6) months prior to the date of such foreclosure sale but shall not be liable for any other Master Assessments or other charges incurred by the Master Association prior to the date of transfer or acquisition of title by foreclosure by such Mortgagee and (ii) be liable for all Master Assessments and other charges levied, assessed or incurred or payable with respect to such Unit (or Sub-Unit) for any period of time from and after the date of such foreclosure sale. The foregoing shall not relieve any Owner of a Unit or any Sub-Owner of a Sub-Unit whose Unit or Sub-Unit, as applicable, has been foreclosed from the personal obligation to pay all Master Assessments and any other charges levied, assessed or incurred by the Master Association and the Master Association shall have the right to pursue all rights and remedies against a defaulting Owner notwithstanding the foreclosure of a Mortgage on such Owner's Unit (or the foreclosure of a Mortgage on such Sub-Owner's Sub-Unit). The lien created hereunder for Master Assessments shall not be affected by the sale, transfer, conveyance or other disposition of a Unit (or Sub-Unit) except as specifically set forth above. Notwithstanding anything provided herein to the contrary, the foreclosure of any Mortgage shall not relieve the purchaser or transferee (including a Mortgagee) of any Unit (or Sub-Unit) from liability for, nor the Unit (or Sub-Unit) from the lien of, any Master Assessments made at any time on or after the occurrence of such foreclosure sale.

9.09 Certificates. Any Owner, Sub-Owner, Mortgagee, prospective Mortgagee or Person having executed a contract for the purchase of a Unit shall be entitled, upon written request, to a statement from the Master Association setting forth with respect to the applicable Unit the amount of Assessments past due and unpaid together with unpaid late charges and interest. Such

request shall be delivered to the registered office of the Master Association and shall state the address to which the statement is to be directed. The information specified in the Master Association's statement shall be binding upon the Master Association and all Owners and Sub-Owners. The Master Association may charge, as a prerequisite to the issuance of such a statement, a fee which will not exceed the then applicable maximum amount which may be charged under the Act for such statements.

9.10 Loans from Declarant. To the extent the Master Association does not have sufficient funds at any time to pay all Common Expenses then due and payable, the Master Association shall have the right to borrow from Declarant such funds as may be reasonably necessary and shall promptly repay the same to Declarant. Notwithstanding anything provided herein to the contrary, in no event shall Declarant be obligated to loan any funds to the Master Association.

9.11 Master Assessments with Regard to Sub-Units.

(a) Notwithstanding anything provided to the contrary in this Article IX to the extent any Unit is improved with Buildings and/or other improvements and is subject to the terms and provisions of a Sub-Declaration, then the Sub-Units created by the Sub-Declaration shall be obligated to pay Annual Assessments and Special Assessments in accordance with the remaining terms and provisions of this Section 9.11 and, if any such Sub-Unit fails to timely pay to the Master Association its share of Master Assessments due unto this Master Declaration, then the Master Association shall have the right to exercise against the Sub-Owner the rights and remedies as further provided in this Section 9.11.

(b) The Sub-Owners of each Sub-Unit within a Unit shall pay its prorata share of all Master Assessments payable by the Unit within which such Sub-Unit is situated determined by multiplying the amount of the applicable Master Assessments payable by the Unit within which such Sub-Unit is situated by a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Sub-Units within such Unit.

(c) The Sub-Association created for any such Sub-Units shall be obligated to provide to the Master Association a schedule indicating the names and addresses of all Sub-Owners as well as the total number of all Sub-Units situated within the applicable Unit. Each Sub-Association shall further be obligated to update that schedule as the same changes from time to time. Following receipt of such schedule from the applicable Sub-Association and subject to the terms and provisions of Section 9.11(h) below, the Master Association may thereafter bill all Master Assessments payable by a Unit to the Sub-Owners of all Sub-Units within that Unit and provide a summary of such Master Assessments to the applicable Sub-Association. To the extent any Sub-Owner fails to timely pay the portion of the Master Assessments for which such Sub-Owner is obligated, then, in addition to the Master Assessments payable by such Sub-Owner, such Sub-Owner shall also pay to the Master Association late charges and interest at the Applicable Rate and all court costs and attorneys' fees and expenses incurred by the Master Association to enforce or collect such Master Assessments from such Sub-Owner. All Master Assessments payable by any Sub-Owner, together with late charges and interest at the Applicable Rate as hereinafter provided, and all court costs and attorneys' fees and expenses incurred by the Master Association to enforce and collect such Master Assessments shall be a charge and a continued lien against each such Sub-Unit. Each Sub-

Owner and his or her grantees shall take title to such Sub-Unit subject to the equitable charge and continuing lien for the payment of all Master Assessments assessed to such Sub-Owner's Sub-Unit, but without prejudice to the rights of such grantee to recover from his or her grantor any amounts paid by such grantee to the Master Association which are the legal obligations of the grantor of such Sub-Unit. All Master Assessments shall be a personal obligation of the Person who was the Sub-Owner of a Sub-Unit at the time such Master Assessments were assessed or incurred. In the event of co-ownership of any Sub-Unit, all of the co-owners shall be jointly and severally liable for the entire amount of the Master Assessments assessed against such Sub-Unit. Master Assessments shall commence as to each Sub-Unit in the manner provided in Section 9.06 above and shall be paid in such manner and on such dates as may be fixed by the Board. All Master Assessments shall be payable in all events by all Sub-Owners without offset, diminution or abatement by reason of (i) fire or other casualty or any taking as a result of, in lieu of or anticipation of the exercise of the right of eminent domain, condemnation or the private purchase in lieu thereof, (ii) any claim by any Sub-Owner of abandonment, non-use or waiver of the use or waiver of the use or enjoyment by a Sub-Unit of any part of the Common Elements, (iii) inconvenience or discomfort arising from the making of any repairs or improvements, (iv) any alleged failure of Declarant, the Master Association, any Sub-Association, the Board or the Managing Agent to take some action or perform some function required by the terms of the Condominium Documents or (v) any other reason whatsoever.

(d) To the extent any Master Assessments payable by the Sub-Owner of any Sub-Unit are not paid when due, then the unpaid portion of such Master Assessments shall bear interest from and after the due date of the same at the Applicable Rate. In addition, the Board may adopt and change from time to time a late charge which will be assessed against any Sub-Unit and the Sub-Owner of such Sub-Unit who fails to pay Master Assessments within 15 days from the due date of such Master Assessments, which late charge shall be in addition to interest which shall accrue at the Applicable Rate on the unpaid portion of the Master Assessments.

(e) The Master Association is hereby granted a continuing lien, with power to sell, upon each Sub-Unit and any appurtenant undivided interest, if any, in the Common Elements, which lien secures the payment of all Master Assessments now or hereafter levied or subject to be levied against such Sub-Unit or the Sub-Owner of such Sub-Unit, together with all late charges and all attorneys' fees and expenses, court costs and all other expenses paid or incurred by the Master Association, including, without limitation, any and all administrative expenses incurred by the Master Association in connection with attempts to collect any unpaid Master Assessments, together with interest thereon at the Applicable Rate.

(f) In the event any Master Assessments are payable in installments, the entire amount of all installments of such Master Assessments shall constitute a lien from the time the first installment of such Master Assessments becomes due and payable and, upon any default in the payment of any installment of such Master Assessments, then all remaining unpaid installments shall be immediately due and payable in full and shall accrue interest at the Applicable Rate from and after the due date for the payment of the installment which has not been timely paid.

(g) To the extent any Sub-Owner fails to timely pay Master Assessments due and owing by such Sub-Owner or such Sub-Owner's Sub-Unit, then the Master Association shall have the right to exercise, with respect to the Sub-Owner and the Sub-Unit owned by such Sub-

Owner only, any and all of the rights and remedies provided to the Master Association in Section 9.07 hereof.

(h) Each Sub-Association shall be obligated to assist the Master Association in collecting all Master Assessments levied and assessed by the Master Association against all Sub-Units subject to the Sub-Declaration for which such Sub-Association is formed. In connection therewith, the Master Association shall have the right, at its option, to bill all Master Assessments due from all Sub-Units subject to the same Sub-Declaration directly to the applicable Sub-Association, in which event such Sub-Association shall, if requested by the Master Association, assess each Sub-Unit subject to the Sub-Declaration under which the applicable Sub-Association was formed and remit the same directly to the Master Association within the time periods established from time to time by the Board for the payment of Master Assessments. In the event the Master Association adopts the billing procedures set forth in this Section 9.11(h), then the failure of any Sub-Association to timely pay Master Assessments to the Master Association shall constitute a default by such Sub-Association and the Master Association shall have the right to exercise all of the rights and remedies set forth in this Article IX with respect to such defaulting Sub-Association (which for the purposes of this Master Declaration, is considered the Owner of a Unit).

ARTICLE X

INSURANCE AND CASUALTY

10.01 Obligation of Master Association to Maintain Insurance. Commencing not later than the time of the first conveyance of a Unit to a Person other than the Declarant, the Master Association shall maintain insurance for the Condominium to the extent reasonably available as provided in the Act and as provided in Section 10.02 below.

10.02 Scope of Coverage Maintained by Master Association.

(a) The Master Association is required to maintain the following insurance coverages to the extent reasonably available:

(i) Property and Casualty. The Master Association must obtain, maintain and pay, as a Common Expense, the premiums for property insurance on the Common Elements and the Limited Common Elements, insuring against all risks of direct physical loss commonly insured against, in an amount determined each year by the Board, but in no event in an amount less than the full replacement value of the Insured Property, as herein defined, at the time the insurance is purchased; provided, however, that in the case of flood insurance, the amount of insurance required to be maintained hereunder shall not be required to exceed the amounts available under the National Flood Insurance Program or its successor. As used herein, the term "Insured Property" shall mean and refer to all insurable improvements located on or constituting part of the Common Elements and Limited Common Elements **but specifically excluding:** (1) the Property, foundation excavation and other items normally excluded from such insurance coverage; and (2) any and all Buildings and other improvements situated on any Unit or any furniture, furnishings, fixtures, wall

coverings, improvements, betterments, appliances, additions, alterations, clothing, equipment, machinery and all other personal property installed, placed or maintained within any Units by any Owners, Sub-Owners, Sub-Associations or any of their respective Occupants and (3) any improvements to the Common Elements which are not customarily insurable (e.g., road pavement, curbing, gutters, storm drainage facilities, Utility Lines, landscaping, etc.). The amount of insurance coverage will be determined annually by the Board with the assistance of the insurance company providing such coverage. The property and casualty insurance policy to be maintained by the Master Association shall be a "master" or "blanket" type policy of property insurance. Such policy shall include an "agreed amount endorsement" or its equivalent and, if available, an "inflation guard endorsement". Such property and casualty insurance shall provide, as a minimum coverage and protection against the following: (x) loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, including flood and wind coverage; (y) all other perils which are customarily covered with respect to condominiums containing units which are land units only in order to meet the requirements of the Act; and (z) losses resulting from the enforcement of ordinances or laws that regulate construction, demolition, repair or use of the Condominium including, specifically, loss to any undamaged portions of the Building, demolition costs and increased costs of construction;

(ii) Liability Insurance. The Master Association must obtain, maintain and pay, as a Common Expense, the premiums for a commercial general liability insurance policy in an amount determined each year by the Board, but in no event less than \$5,000,000.00 for injury or injuries, including death, arising out of a single occurrence. Coverage under such policy shall include, if reasonably available, without limitation, legal liability of the insured for property damage, bodily injuries and death of persons in connection with the operation, maintenance or use of the Common Elements and Limited Common Elements and legal liability arising out of lawsuits related to employment contracts with the Master Association. If reasonably required by any Mortgagee and if reasonably available, the policy shall also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use to the Condominium, including, but not limited to, host liquor liability, employers' liability insurance, contractual liability and comprehensive automobile liability insurance. In addition, reasonable amounts of "umbrella" or "excess liability insurance" in excess of the foregoing primary limits may also be obtained by the Master Association;

(iii) Personnel Coverage. Should the Master Association employ personnel, all coverage required by applicable law, including workmen's compensation, shall be obtained so as to meet the requirements of applicable law and the premiums for such insurance shall be deemed a Common Expense;

(iv) Fidelity Bonds. The Master Association may, if reasonably available, obtain, maintain and pay, as a Common Expense, the premiums for a fidelity bond to protect against the loss of money by dishonest acts on the part of all

officers, directors and employees of the Master Association and all other persons handling, or responsible for funds of the Master Association or funds administered by the Master Association, including the Managing Agent. Such fidelity bonds shall name the Master Association as the obligee and shall not be less than the estimated maximum funds, including reserve funds, in the custody of the Master Association or the Managing Agent, as the case may be, at any given time during the term of each bond. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions;

(v) Other Insurance. The Master Association may obtain any other insurance coverage which the Board may, from time to time, deem appropriate to protect the Master Association and the Owners, including, without limitation, "directors and officers" liability coverage.

(b) Unavailability of Insurance. In the event the liability insurance required by the terms and provisions of Section 10.02(a)(i) above is not reasonably available, the Board of Directors shall promptly cause notice of such fact to be hand delivered or sent prepaid by United States mail to all Owners and shall attempt to obtain substitute insurance coverage as may be available in order to insure the interests described in Section 10.02(a)(i) above.

(c) Required Provisions of Policies. All insurance coverage required to be maintained by the Master Association hereunder shall be issued pursuant to policies which, to the extent reasonably obtainable, will also provide that:

(i) Each Owner is an insured person under the policy with respect to liability arising out of his or her Allocated Interest in the Common Elements, membership in the Master Association and his or her ownership of a Unit;

(ii) The insurer waives any and all rights to claims, by way of subrogation, against Declarant, the Master Association, the Board of Directors, the Managing Agent, the Owners and Occupants;

(iii) No act or omission by any Owner or Occupant, unless acting within the scope of his authority on behalf of the Master Association, shall void the policy or be a condition to recovery under the policy; and

(iv) The policy shall be primary, even if any Owner or Occupant has other insurance that covers that same loss and further provide that the liability of the insured Owner shall not be affected by, and that the insurer shall not claim any right of set-off, counterclaim, apportionment, proration or contribution by reason of, any other insurance obtained by or for any Owner or Occupant.

(d) Other Provisions. To the extent reasonably available, such policies shall:

(i) Provide that such policy may not be canceled or substantially modified and that the insurer may not refuse to renew said policy (whether or not requested by the Master Association) except by the insurer giving at least 30 days prior written notice thereof to the Master Association, each Owner, each holder of a Mortgage on any Unit and every other Person who shall have requested such notice of the insurer;

(ii) Contain a "severability of interest" endorsement which would preclude the insurer from denying liability for any loss occurring because of any act of negligence by the Master Association, any Owner or any Occupant of a Unit;

(iii) Provide that the coverage afforded by such policies shall not be brought into contribution or proration with any insurance which may be purchased by Owners or their Mortgagees;

(iv) Provide that Declarant, so long as Declarant shall own any Unit, shall be protected by all Master Association insurance policies as an Owner;

(v) Contain a standard mortgagee clause which shall: (1) provide that any reference to a Mortgagee in such policy shall mean and include all holders of Mortgages on any Unit whether or not named herein; (2) provide that such insurance, as to the interest of any Mortgagee, shall not be invalidated by any act or negligence of the Master Association or Owners or Occupants; and (3) waive any provisions invalidating such Mortgagee clause by reason of the failure of a Mortgagee to notify the insurer of any hazardous use or conveyance, any requirements that the Mortgagee pay any premium thereon and any contribution clause; and

(vi) Be written by reputable companies licensed to do business in the State of Alabama and holding a rating of A+ or better in the financial category as established by A. M. Best's Insurance Reports and, if not available, the best possible or equivalent rating.

(e) Copies to Mortgagees. One (1) copy of each insurance policy and all endorsements thereto shall be furnished by the Master Association to any Mortgagee requesting a copy of the same and, if requested, proof of payment of premiums. Furthermore, if so requested, any Mortgagee shall be promptly notified of any event giving rise to a claim under any such policies.

(f) Deductibles. The amount of any deductible payable with respect to any insurance policy shall be considered as a Common Expense and shall be paid by the Master Association.

10.03 Owner Insurance Coverage. This Master Declaration contemplates that each Lot will be a land condominium unit and that each Owner of a Unit will construct Buildings and additional improvements within the boundaries of the Unit owned by such Owner, which Buildings and other improvements must be insured by the Owner of such Unit. In no event shall the Master Association maintain fire and extended coverage, fraud or other similar casualty insurance on

any Building or other improvements constructed on any Unit by any Owner. To the extent any Unit is subjected to a Sub-Declaration, then the Sub-Association established under such Sub-Declaration shall maintain sufficient insurance to protect all interests of the Sub-Owners of all Sub-Units subject to such Sub-Declaration. Each Owner of a Unit is encouraged to also procure and maintain all other insurance coverages which a normal and prudent property owner owning a Unit would maintain with respect to such Owner's Unit including, without limitation, fire and extended insurance on all improvements situated on such Owner's Unit commercial general liability insurance coverage. In no event shall the Master Association be responsible otherwise liable for any injury or damage to persons or property occurring within the boundary of any Unit.

10.04 Payment of Insurance Proceeds. Any loss covered by property insurance obtained and maintained by the Master Association in accordance with the terms and provisions of this Master Declaration shall be adjusted by the Master Association and the insurance proceeds shall be payable to the Master Association and not to any Mortgagee or Owner. The Master Association shall hold any insurance proceeds in trust for the Owners and all lienholders (including Mortgagees) as their interests may appear. Subject to the provisions of Sections 10.05 and 10.06 below, the proceeds shall be disbursed for the repair or restoration of the damage to Common Elements and Limited Common Elements and Owners and lienholders (including Mortgagees) shall not be entitled to receive payment of any portion of the proceeds unless there is a surplus of funds after all Common Elements and Limited Common Elements damaged or destroyed by any fire or other casualty have been completely repaired and restored or this Master Declaration is terminated.

10.05 Obligation to Restore.

(a) Any portion of the Condominium for which insurance is maintained hereunder or required to be maintained pursuant to any of the provisions of the Act must be repaired or replaced promptly by the Master Association unless:

(i) Within 60 days of such casualty, this Master Declaration is terminated in the manner provided in Section 12.02 below;

(ii) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety; or

(iii) Within 60 days of such casualty, at least eighty percent (80%) in interest of all Owners vote not to rebuild.

(b) Subject to the terms and provisions of Sections 10.05(a) and 10.06 hereof, all insurance proceeds received by the Master Association as a result of any fire or casualty shall first be used to repair and restore all portions of the Common Elements and Limited Common Elements damaged by such fire or casualty. All portions of the Common Elements and Limited Common Elements must be repaired and restored in accordance with either the original plans and specifications or any other plans and specifications which have been approved by the Board of Directors and the vote of at least fifty-one percent (51%) in interest of all Owners.

(c) The costs of repair or replacement of any of the Common Elements and Limited Common Elements in excess of insurance proceeds received by the Master Association and any reserves held by the Master Association shall be a Common Expense. If, following the restoration of all portions of the Common Elements and Limited Common Elements which have been damaged or destroyed by fire or other casualty, the Master Association has insurance proceeds which have not been expended in such repair or restoration work, then the surplus insurance proceeds shall be distributed among all Owners or lienholders (including Mortgagees), as their respective interests appear, in proportion to their respective Allocated Interests.

10.06 Distribution of Proceeds and Reallocation of Allocated Interests.

(a) If, following any casualty, all of the Common Elements and Limited Common Elements are not repaired or replaced, then the insurance proceeds shall be used or distributed as follows:

(i) First, the insurance proceeds attributable to the damaged Common Elements (other than any Limited Common Elements) must be used to restore the damaged areas of the Common Elements;

(ii) Second, the insurance proceeds attributable to any Limited Common Elements which are not rebuilt must be used first, to pay for the costs and expenses of placing such Limited Common Elements in an aesthetically pleasing condition in harmony with the other portions of the Condominium and second, distributed to the Owners of those Units whose Limited Common Elements are not rebuilt or to their respective lienholders (including Mortgagees), as their interests may appear; and

(iii) The remainder of the proceeds must be distributed to all the Owners or lienholders (including Mortgagees), as their interests may appear, in proportion to their respective Allocated Interests.

(b) Notwithstanding anything provided in this Section 10.06 to the contrary, the terms and provisions of §35-8A-218 of the Act govern the distribution of insurance proceeds if the Condominium is terminated pursuant to Section 12.02 below.

10.07 Insurance Trustee. Notwithstanding anything provided herein to the contrary, there may be named as an insured, on behalf of the Master Association, the Master Association's authorized representative, including any trustee with whom such Master Association may enter into an insurance trust agreement or any successor to such trustee (each of whom shall be referred to as an "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing property damage or liability insurance and to perform such other functions as are necessary to accomplish this purpose. Each Owner appoints the Master Association, or any Insurance Trustee or any substitute Insurance Trustee designated by the Master Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining any insurance required to be maintained hereunder by the Master Association and otherwise taking any and all actions relating to such insurance, including, without limitation, the collection and appropriate distribution of all proceeds

thereof, the negotiation of losses and execution of settlement and releases of liability, the execution of any and all documents and the performance of any and all other acts necessary or required to accomplish any of the foregoing purposes.

ARTICLE XI

CONDEMNATION

11.01 Condemnation Considered a Casualty Loss. The taking of any of the Common Elements by eminent domain or condemnation shall be deemed to be a casualty loss, and except as otherwise provided in Sections 11.02 and 11.03 below, the determination as to whether the Common Elements will be reconstructed or repaired or condemned upon such taking will be determined as provided in the Act and in accordance with the provisions of Article X above. Even though the award may be payable to one or more Owners, each Owner will deposit the award with the Master Association and, in the event of any failure by any Owner to do so, in the discretion of the Board of Directors, an Individual Assessment shall be made against a defaulting Owner in the amount of his or her award or the amount of such award shall be set off against the sums hereinafter made payable to such Owner. If any Unit or any portions thereof are made the subject of any condemnation or eminent domain proceedings or is otherwise sought to be acquired by a condemning authority, the Mortgagee of such Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition and no provision hereof shall entitle the Owner of such Unit or any other party to priority over such Mortgagee with respect to the distribution of any award or settlement to the Owner of such Unit.

11.02 Partial Condemnation of Units. In the event that the Condominium is not to be terminated and one or more Units are taken, in whole or in part, then the following terms and provisions shall be applicable:

(a) If the taking results in part of the land area of any Unit (and any Buildings or other improvements thereto) being taken but the remaining portion of the Unit can be used for any of the purposes permitted by the terms and provisions of this Master Declaration, then the award for the taking of a portion of such Unit shall be used for the following purposes in the order stated below and the following changes shall be effected in the Condominium Documents:

(i) The Unit shall be made tenantable and if the cost of such restoration work (1) exceeds the amount of the award, the Owner of such Unit shall, on demand, provide to the Master Association the additional funds necessary to pay for such restoration and, if such additional funds are not timely deposited by such Owner with the Master Association, then the Master Association may levy against the Owner of the Unit an Individual Assessment equal to the amount of funds needed to complete such restoration or (2) is less than the amount of the award attributable to such Unit, the surplus funds shall be paid to such Owner or lienholders (including Mortgagees), as their respective interests may appear; and

(ii) The Allocated Interest for such Unit shall be reduced in accordance with the provisions of § 35-8A-107 of the Act.

(b) If such taking destroys or so reduces the size of a Unit so that it may not practically or lawfully be used for any purpose permitted by the terms of this Master Declaration, then the award for the taking of such Unit shall be used for the following purposes in the order stated below and the following changes shall be effected in the Condominium Documents:

(i) The condemnation award shall be utilized first to clear away the remainder of such Unit and any remaining Limited Common Elements attributable thereto in order to place the real property surrounding such Unit and any Limited Common Elements so taken in a good, safe and attractive condition and the remaining portions of such Unit and any Limited Common Elements thereto shall thereafter become part of the Common Elements;

(ii) The balance of such award shall thereafter be paid to the Owner of such Unit and to any lienholders (including Mortgagees) of such Unit, as their respective interests may appear; and

(iii) If any Unit is not rebuilt following any condemnation or any taking, then the Allocated Interest of such Unit not rebuilt shall be automatically reallocated in accordance with the terms and provisions of §35-8A-107 of the Act and the Master Association shall promptly execute and record an amendment to the Master Declaration reflecting such reallocation.

11.03 Partial Condemnation of Common Elements and Limited Common Elements.

(a) If any portion of the Common Elements (other than the Limited Common Elements) is acquired by any taking, then that portion of the award attributable to the Common Elements so taken must be paid to the Master Association and utilized as follows:

(i) First, the award attributable to the Common Elements so taken must be used to restore, to the extent practicable, as determined by the Board of Directors, the damaged areas of the Common Elements to a condition compatible with the remainder of the Condominium; and

(ii) The remainder of such award must be distributed to all of the Owners or lienholders (including Mortgagees), as their interests may appear, of all Units in proportion to their respective Allocated Interests.

(b) If any portion of the award from any taking is attributable solely to the acquisition of any Limited Common Elements, then that portion of the award attributable to any of the Limited Common Elements must be paid to the Master Association and utilized as follows :

(i) First, the award attributable to the Limited Common Elements so taken must be used to restore, to the extent practicable, as determined by the Board of Directors, the damaged areas of the Limited Common Elements to a condition compatible with the condition of such Limited Common Elements immediately prior to such taking; and

(ii) Second, if the Limited Common Elements so taken cannot be restored to a condition compatible with the condition of such Limited Common Elements immediately prior to such taking, then such award shall be distributed to the Owners or lienholders (including Mortgagees), as their interests may appear, to whom such Limited Common Elements were allocated at the time of such taking in proportion to their respective Allocated Interests.

11.04 Master Association Appointed as Attorney-In-Fact. The Master Association is hereby appointed as attorney-in-fact for each Owner and any and all Mortgagees for the purposes of attending, negotiating and otherwise entering into any settlement agreement arising with respect to any condemnation or eminent domain proceedings affecting any portion of the Condominium.

11.05 Conflicts With Act. In the event of any conflicts within the terms and provisions of this Article XI in the terms and provisions of the Act, then the terms and provisions of the Act shall at all times control.

ARTICLE XII

AMENDMENT AND TERMINATION

12.01 Amendment.

(a) Except as to those amendments which may be made pursuant to §35-8A-217(a) of the Act (which allows Declarant, the Master Association or certain Owners to amend the Master Declaration in certain situations without Owner approval) and as may be otherwise provided in this Master Declaration, this Master Declaration, including the Plans, may be amended only by the affirmative vote or agreement of (i) at least sixty-seven percent (67%) in interest of the Owners and (ii) Declarant, to the extent such amendment is being made during the Declarant Control Period. No action to challenge the validity of an amendment adopted by the Master Association pursuant to §35-8A-217 of the Act may be brought more than one (1) year after the amendment is recorded in the Probate Office.

(b) Except as to any modification or amendment executed by (i) any Owners and the Board of Directors pursuant to Section 2.07 above or (ii) Declarant pursuant to the exercise of any Development Rights or any of Declarant's rights under Sections 10.06, 11.02(b), 13.04 and 13.07 hereof, the Allocated Interests shall not be modified or amended without the written consent of all the Owners and all of the Eligible Mortgage Holders.

(c) No amendment which purports to or does increase or otherwise modify the obligations imposed by the Master Declaration on Declarant or decrease, limit, or otherwise modify the rights granted by the Master Declaration to Declarant, including the Development Rights or the Special Declarant Rights, shall be valid without the express written consent of Declarant.

(d) Any amendment to the Master Declaration shall be effective upon recordation of the same in the Probate Office. Any amendments to the Master Declaration (other than any amendments resulting from the exercise of any of the Development Rights by Declarant or as

otherwise provided in Sections 12.01(a) and 12.01(b) above) shall be prepared, executed, recorded and certified by any Vice President or the President of the Master Association.

(e) In addition to any other method of amending this Master Declaration provided for elsewhere herein, Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Master Declaration at any time and from time to time which amends this Master Declaration to (i) bring this Master Declaration into compliance with the Act, (ii) correct clerical or typographical errors in this Master Declaration or any Exhibit hereto or any amendment thereto, or (iii) make any other change in this Master Declaration or any Exhibit hereto or any amendment thereto, except as may be precluded by the provisions of the Act. In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby reserved and granted to the Declarant to make or consent to a Special Amendment on behalf of each Owner and any Mortgagee. Each Mortgage or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to make, execute and record Special Amendments. The reserved rights of the Declarant under this Section shall expire when all obligations or liabilities of the Declarant in any way arising in connection with the Condominium have been satisfied, terminated, settled or have expired. Any Special Amendment reflecting such changes need only be executed by the Declarant.

12.02 Termination.

(a) This Master Declaration and the condominium form of ownership of the Condominium shall not be terminated except by agreement (an agreement to terminate must be evidenced by the execution of a termination agreement, or ratifications thereof, in the same manner as a deed, by the requisite number of Owners and the termination agreement must specify a date after which the agreement will be void, unless it is recorded before that date) of at least eighty percent (80%) in interest of the Owners and by at least sixty-seven percent (67%) in interest of the Eligible Mortgage Holders. Notwithstanding anything provided herein to the contrary, this Master Declaration and the condominium form of ownership of the Condominium shall not be terminated as a result of any damage or destruction to the Condominium or any condemnation action affecting the Condominium unless, in addition to the required vote by the Owners specified above, at least fifty-one percent (51%) in interest of the Eligible Mortgage Holders also agree to such a termination pursuant to the provisions of Sections 14.03 and 14.04 below.

(b) Any termination agreement adopted pursuant to Section 12.02(a) above shall be effective when duly recorded in the Probate Office. Following the termination of this Master Declaration and the condominium form of ownership of the Condominium pursuant to the terms and provisions of Section 12.02(a) above, all Owners shall own the Condominium and all assets of the Master Association as tenants in common in undivided shares, subject to the terms and provisions of §35-8A-218 of the Act.

ARTICLE XIII

DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

13.01 Allocation and Use of Limited Common Elements. The Limited Common Elements are more particularly described in Exhibit E hereto and, to the extent set forth in Exhibit E hereto, are designated for the exclusive use of those Units set forth in said Exhibit E.

13.02 Use for Sales and Other Purposes. Declarant expressly reserves for itself and its successors and assigns the right to use one or more Units owned by Declarant, or any of its successors or assigns, and any portion of the Common Elements for model Units, for the maintenance of management, sales, resales and construction or rental offices or for special events or other promotional events or activities. Such model units and management, sales, resales, construction and rental offices may be maintained in such number and size as may be determined by Declarant, in its sole discretion, and may be located and relocated in Units and/or in any improvements on the Common Elements as may be determined by Declarant. Declarant further reserves the right to maintain on the Common Elements advertising signs in any location or locations and from time to time to relocate and/or remove the same, all in the sole discretion of Declarant. Declarant reserves the rights set forth in this Section 13.02 until the twentieth anniversary of the recordation of this Master Declaration.

13.03 Appointment of Officers and Directors. As set forth in this Master Declaration and in the Bylaws, Declarant reserves the right to appoint or remove any officer of the Master Association and certain members of the Board during the Declarant Control Period.

13.04 Development Rights.

(a) Declarant does hereby reserve the right, for itself and its successors and assigns, to exercise any and all of the following rights (collectively, the "Development Rights") at any time on or before the twentieth anniversary of the recordation of this Master Declaration, which action may be undertaken at any time without the consent or approval of any Owner or Mortgagee:

(i) The right to add any of the Additional Property to the Condominium and to otherwise improve any portion of the Additional Property with Units, Common Elements, Limited Common Elements and other improvements thereto;

(ii) The right to create Units, Common Elements or Limited Common Elements within any portion of the Condominium;

(iii) The right to divide or combine Units or convert Units into Common Elements or Limited Common Elements;

(iv) The right to exercise all other Development Rights created under the Act; and

(v) The rights reserved by Declaration in Section 7.05 above.

(b) In connection with the exercise of the Development Rights, Declarant shall have the right to amend this Master Declaration in the manner provided in the Act, without the written consent or approval of any Owner or Mortgagee, and shall have the right to amend any of the exhibits to this Master Declaration which should be amended as a result of the exercise of such Development Rights, including, without limitation, Exhibit C (with respect to Allocated Interests), Exhibit D (regarding the description of Common Elements), Exhibit E (regarding the description of Limited Common Elements), Exhibit G (regarding the schedule of Permitted Exceptions), Exhibit H (with respect to the Plans) and Exhibit I (with respect to the description of Unit boundaries).

(c) With respect to any of the Additional Property added to this Master Declaration, the Development Rights and Special Declarant Rights set forth in this Master Declaration shall also be applicable to such Additional Property.

(d) The rights to add Additional Property to the Condominium pursuant to Section 13.04(a)(i) above and the rights of Declarant to exercise any of the other Development Rights may be exercised by Declarant at different times as to any portion of the Additional Property and no assurances are made by Declarant as to the order, if any, in which any of the Additional Property will be added to this Declaration or whether all or any portions of the Additional Property will be added to the Condominium. To the extent Declarant exercises its Development Rights to add any portion of the Additional Property to the Condominium, Declarant shall not be obligated to exercise such Development Rights to add any of the remainder of the Additional Property to the Condominium.

13.05 Other Special Declarant Rights. In addition to the rights reserved in Sections 13.01 through 13.04 above, Declarant reserves the right, until the twentieth anniversary of the recordation of this Master Declaration, in compliance with the Act, and without the consent of any Owner or Mortgagee, to:

(a) Use the easements through the Common Elements described in Article IV for the purpose of making improvements within the Condominium;

(b) Make the Condominium part of another condominium;

(c) Make the Condominium subject to a master association;

(d) Complete all or any portion of any improvements indicated or contemplated on the Plans;

(e) Exercise the rights reserved by Declarant in Section 13.07 below; and

(f) Exercise any and all other Special Declarant Rights created by the Act.

13.06 Permanent Access and Utility Easement. Declarant reserves unto itself, its successors and assigns, a permanent, perpetual and non-exclusive blanket easement over, across, through, upon and under the Common Elements for the construction, operation and maintenance,

repair and replacement thereon of Utility Lines (including connection rights to any existing Utility Lines situated on the Property).

13.07 Commercial Use of Images.

(a) Declarant shall have the following rights:

(i) The exclusive right to grant permission for the Common Elements to be photographed, sketched, painted or otherwise reproduced for promotional, publishing, academic or commercial use (including, without limitation, as a background for the display of fashions or other goods); and

(ii) The right to grant permission for similar reproduction of the exteriors of any other portion of the Property and any Units and Buildings thereto which can be viewed from streets, alleys or Common Elements. Such exteriors may be reproduced without the consent of, or payment to, the Owner or Occupants of any such Unit or Building, but the foregoing right is not intended to prevent any Owner from granting independent reproduction rights for any Unit and any Building thereto owned exclusively by that particular Owner, in which case the consent of Declarant shall not be required.

(b) The exercise of the rights set forth in Section 13.07(a) above shall not interfere with normal and customary rights of architects with respect to Buildings and other improvements within the Property designed by them.

(c) The name "The Colony at The Grand" is a trademark owned by Declarant. An Owner may use the name "The Colony at The Grand" to describe the location of a home or business and may advertise that business as being located "in The Colony at The Grand." If requested by Declarant, any such Owner shall accompany such business use with a symbol or explanation concerning trademark or service mark registration of the name "The Colony at The Grand". Owners may not use the name "The Colony at The Grand" in any other manner without the express permission of Declarant, which permission may be granted or denied in the sole and absolute discretion of Declarant.

13.08 Exercise of Special Declarant Rights and Development Rights. The rights established and reserved by Declarant pursuant to Sections 13.01, 13.02, 13.03, 13.05, 13.06 and 13.07 above are collectively referred to as the "Special Declarant Rights" and may be exercised at any time and from time to time by Declarant and its successors and assigns, subject to the time limitations set forth in Section 13.05 above for the exercise of the rights described in Section 13.05 above. To the extent Declarant exercises any of the Development Rights specified in Section 13.04 above which results in a change in the number of Units, different types of Units, a change in the Common Elements or Limited Common Elements, a change in the Plans or a change in the Allocated Interest for any Unit, then Declarant shall have the right to amend this Master Declaration to reflect any of the foregoing without any requirement that the consent or approval of any Owner or Mortgagee be obtained. Any and all costs and expenses of amending the Master Declaration pursuant to the terms and provisions of this Section 13.08 shall be paid for by Declarant.

ARTICLE XIV

MORTGAGEE PROTECTION

14.01 Rights of Mortgagees.

(a) Each Eligible Mortgage Holder shall, subject to the provisions of Section 14.01(b) below, be entitled to:

(i) Written notice from the Master Association of any default in the performance by the Owner of a Unit secured by the Mortgage held by such Mortgagee which remains uncured for a period of sixty (60) days;

(ii) Attend and observe all meetings of Owners, but not meetings of the Board of Directors;

(iii) Copies of annual financial reports made to Owners and of any insurance policies affecting the Condominium which have been obtained by or on behalf of the Master Association. To the extent any Eligible Mortgage Holder desires that the financial reports be audited by an independent CPA, then the Master Association agrees, to the extent such Eligible Mortgage Holder pays for the cost of such audit, to obtain audited reports for such Eligible Mortgage Holder;

(iv) Inspect the financial books and records of the Master Association, and current copies of all Condominiums Documents during reasonable business hours;

(v) Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Master Association;

(vi) Notice of any proposed amendments to this Master Declaration pursuant to Section 14.02 below or any action which requires the consent of the Eligible Mortgage Holders pursuant to Section 14.03 below;

(vii) Written notice of any condemnation loss or any casualty loss which affects a material portion of the Condominium or the Unit which may be secured by a Mortgage in favor of such Eligible Mortgage Holder;

(viii) Notice of any judgment rendered against the Master Association; and

(ix) Notice of any proposed action that would require the consent of the Eligible Mortgage Holders as provided in Section 14.02 below.

(b) Each Eligible Mortgage Holder must file with the Master Association a written request specifying the name and address of any agent or representative of such Eligible Mortgage Holder to whom any such notices must be given.

14.02 Consent of Mortgagees to Changes in Master Declaration.

(a) Notwithstanding anything provided in this Master Declaration to the contrary, no amendment of any material provision of this Master Declaration, as described and defined below in this Section 14.02, may be made or shall be effective unless such amendment has been approved by the respective percentage in interest of the Owners and Declarant, if applicable, pursuant to Section 12.01 above and, subject to the provisions of Section 14.02(c) below, at least fifty-one percent (51%) in interest of all Eligible Mortgage Holders. As used in this Section 14.02, a "material" provision of this Master Declaration shall mean any of the following:

(i) Changing the voting rights of any Owners or Mortgagees; provided, however, that changing the voting rights or the Allocated Interest of any Owners as a result of the exercise by Declarant of any of the Development Rights or Special Declarant Rights or the exercise of the rights under Sections 2.07, 10.06(c), 11.02(b), 13.04 and 13.07 hereof shall not require any consents or approvals of Owners or Eligible Mortgage Holders;

(ii) Reallocating interests in the Common Elements or the Limited Elements or the right to use the same; provided, however, that any reallocation of interests in the Common Elements or Limited Common Elements as a result of the exercise by Declarant of any of the Development Rights or Special Declarant Rights or the exercise of the rights under Sections 2.07, 10.06(c), 11.02(b), 13.04 or 13.07 hereof shall not require any consents or approvals of Owners or Eligible Mortgage Holders;

(iii) Redefining or changing any Unit boundaries; provided, however, that any changes in Unit boundaries resulting from the exercise by Declarant of any of the Development Rights or Special Declarant Rights or the exercise of the rights under Sections 2.07, 10.06(c), 11.02(b), 13.04 or 13.07 hereof shall not require any consents or approvals of Owners or Eligible Mortgage Holders;

(iv) Modifying the terms of the Master Declaration relating to the conversion of Units into Common Elements or the conversion of Common Elements into Units; provided, however, that any conversion of Units or Common Elements resulting from the exercise of any of the Development Rights or Special Declarant Rights or the exercise of the rights under Sections 2.07, 10.06(c), 11.02(b), 13.04 or 13.07 hereof shall not require any consents or approvals of Owners or Eligible Mortgage Holders;

(v) Changing any of the provisions of the Master Declaration that govern the expiration or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium; provided, however, that any contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium resulting from the exercise of any of the Development Rights or Special Declarant Rights or the exercise of the rights under

Sections 2.07, 10.06(c), 11.02(b), 13.04 or 13.07 hereof shall not require any consents or approvals of Owners or Eligible Mortgage Holders;

(vi) Changing the provisions of the Master Declaration that govern restoration or repair of the Condominium after any hazard damage or partial condemnation in a manner other than as specified in this Master Declaration;

(vii) Changing any provisions of the Master Declaration regarding termination of this Master Declaration after the occurrence of any substantial destruction by fire or other casualty or condemnation; or

(viii) Changing any provisions of the Master Declaration that expressly benefit the Eligible Mortgage Holders.

(b) The termination of the Condominium for reasons other than substantial destruction by fire or other casualty or condemnation of the Condominium must be agreed to by at least sixty-seven percent (67%) in interest of the Eligible Mortgage Holders.

(c) For purposes of this Section 14.02, if an Eligible Mortgage Holder fails to submit a written response to any written proposal relating to any amendment to this Master Declaration which would, pursuant to this Section 14.02 require the consent or approval of any Eligible Mortgage Holders, within thirty (30) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a return receipt requested, then such Eligible Mortgage Holder shall be conclusively deemed to have approved such amendment.

14.03 Actions Requiring Approval of Eligible Mortgage Holders.

(a) In addition to those matters set forth in Section 14.02 above, the Master Association may not take any of the following actions, except as such rights have been specifically reserved by Declarant under the terms and conditions of this Master Declaration, without the approval of (i) at least sixty-seven percent (67%) in interest of the Owners, (ii) the consent and approval of Declarant to the extent such action is being taken during the Declarant Control Period, and (iii) the approval in writing of at least fifty-one percent (51%) in interest of the Eligible Mortgage Holders:

(1) Conveyance or encumbrance of the Common Elements; provided, however, that the granting of easements for public utilities or for other public purposes not inconsistent with use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause;

(2) Restoration or repair of the Condominium following any casualty of partial condemnation in a manner other than as specified in this Master Declaration;

(3) Merger of the Condominium with any other condominium regime;

(4) The assignment of the future income of the Master Association, including its right to receive any Master Assessments; and

(5) Any action not to repair or replace the Common Elements except as permitted under Articles X and XI above.

(b) Unless an Eligible Mortgage Holder provides to the Master Association written notice of its objection to any of the foregoing actions set forth in Section 14.03(a) above within thirty (30) days following its receipt of notice delivered by certified or registered mail, return receipt requested, of such proposed action, then the Eligible Mortgage Holder shall be conclusively deemed to have approved the proposed action to be taken by the Master Association.

14.04 Voting by Eligible Mortgage Holders. If, pursuant to the terms and provisions of this Article XIII a specified percentage in interest of the Eligible Mortgage Holders is required to vote on or approve certain actions to be taken hereunder, each Eligible Mortgage Holder shall be entitled to that number of votes equal to the same number of votes which the Owner has been allocated for the Unit which is encumbered by a first Mortgage held by such Eligible Mortgage Holder.

ARTICLE XV

MISCELLANEOUS PROVISIONS

15.01 Additional Rights and Remedies of the Master Association.

(a) In addition to the rights and remedies granted to the Master Association elsewhere in this Master Declaration, the Board may, in its sole discretion, undertake any one or more of the following actions in the event any Owner or Occupant violates or breaches any of the terms or provisions of this Master Declaration or the Rules and Regulations:

(i) Subject to the provisions of Section 15.01(b) below, impose reasonable monetary fines which shall constitute an Individual Assessment; and

(ii) Exercise self-help or any other legal or equitable rights and remedies available to Master Association.

(b) Prior to levying any fines, the Master Association shall provide to such Owner written notice of the alleged violation as well as the opportunity for such Owner to appear before the Board and be heard, all as more particularly provided in the Bylaws.

(c) All remedies set forth in the Condominium Documents shall be deemed cumulative of any other remedies available at law or in equity. Notwithstanding anything provided herein to the contrary, the Master Association shall not be obligated to take any action if, in

the reasonable discretion of the Board, the Board determines that the Master Association's position is not strong enough to justify taking such action or that the covenant, restriction or rule to be enforced is, or is likely to be considered as, inconsistent with applicable law or it is not in the Master Association's interest, based upon hardship, expense or other reasonable criteria, to pursue enforcement action. Any such decision shall not be construed as a waiver by the Master Association of any rights of the Master Association to enforce such provision at a later time under any other circumstances or restrict or prohibit the Master Association from enforcing any other covenant, restriction, rule, regulation or requirement set forth in any of the Condominium Documents.

15.02 Legal Expenses. Any and all costs and expenses incurred by the Master Association, including, without limitation, attorneys' fees and expenses and court costs, in abating, enjoining, removing or extinguishing any violation or breach of this Master Declaration by any Owner or Occupant or their respective contractors, guests or invitees shall be paid for by the Owner of the Unit involved in such action.

15.03 Severability. If any provision of this Master Declaration or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then the remainder of this Master Declaration or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision hereof shall be valid and enforceable to the fullest extent permitted by law.

15.04 Captions and Headings. The captions and headings contained in this Master Declaration are for convenience of reference only and shall not be used in the construction or interpretation of any provisions of this Master Declaration. The table of contents, cover page and any index to this Master Declaration are for convenience of reference only and shall not define or limit any of the terms and provisions hereof.

15.05 Pronouns and Plurals. All personal pronouns used in this Master Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders, and the use of the singular tense shall include the plural and the use of the plural shall include the singular.

15.06 Binding Effect. The terms and provisions of this Master Declaration shall be binding upon each Owner and their respective heirs, executors, administrators, personal representatives, successors and assigns and shall inure to the benefit of Declarant, the Master Association, all Owners and their respective heirs, executors, administrators, personal representatives, successors and assigns.

15.07 No Waiver. All rights, remedies and privileges granted to the Master Association pursuant to the terms and provisions of this Master Declaration shall be deemed to be cumulative and the exercise of any one or more of such rights, remedies or privileges shall not be deemed to constitute an election of remedies nor shall it preclude the Master Association or any other Person from pursuing such other and/or additional rights, remedies or privileges as may be available at law or in equity. The failure by the Master Association at any time to enforce any covenant or restriction set forth herein shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

15.08 Interpretation. In all cases, the provisions set forth and provided for in this Master Declaration shall be construed together and given the interpretation or construction which will best effect the intent of the general plan of development for the Property. In the event of any conflict or ambiguity between the terms and provisions set forth in this Master Declaration and those set forth in the Act, then, to the greatest extent permitted by law, the terms and provisions of this Master Declaration shall control. In the event of any conflict or ambiguity between the terms and provisions of this Master Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, then the terms and provisions of the Master Declaration shall at all times control. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended and enlarged by application so as to make them fully effective. This Master Declaration shall be construed under and in accordance with the laws of the State of Alabama.

15.09 Rights of Third Parties. This Master Declaration shall be recorded for the benefit of Declarant, the Master Association, all Owners and their respective Mortgagees and by such recording, no other adjoining property owner or third party shall have any right, title or interest whatsoever in the Condominium or its operation and continuation, in the enforcement of any of the provisions of this Master Declaration or the right to consent to or approve any amendment or modification to this Master Declaration.

15.10 Standards for Review. Whenever in this Master Declaration Declarant or the Master Association has the right to approve, consent to, or require any action be taken pursuant to the terms hereof, such approval, consent or required action shall, except as otherwise specifically provided herein to the contrary, be given or withheld in the sole and absolute discretion of Declarant or the Master Association, as the case may be.

15.11 Oral Statements. Oral statements or representations by Declarant, the Master Association or any of their respective employees, agents, representatives, successors or assigns, shall not be binding on Declarant or the Master Association.

15.12 Notices. Each Owner shall be obligated to furnish to the Master Association, in writing, the address, if other than the Unit of such Owner, to which any notice to such Owner under this Master Declaration is to be given, and if no address other than such Unit shall have been designated in writing to the Master Association, then all notices and demands shall be mailed or delivered to the Unit of such Owner. Any Owner may, for the purposes of notices hereunder, specify in writing to the Master Association that all notices be submitted to such Owner by facsimile transmission or through the Internet utilizing a specific electronic mailbox address for that particular Owner. All notices required or permitted to be given to any Owner pursuant to the terms and provisions of this Master Declaration shall be deemed to have been sufficiently given or served upon any Owner when either (a) deposited in the United States mail for first-class delivery with postage prepaid and addressed to the last address furnished by such Owner to the Master Association (or if no address has been furnished, then to the Unit of such Owner), in which case notice shall be deemed given upon deposit of same in the United States mail, (b) delivered to such Owner's Unit, in which event notice shall be deemed given upon personal delivery of such notice to such Owner or any Occupant of such Owner's Unit or when attached to the front door of such Unit, (c) sent by facsimile transmission to a facsimile number provided in writing by such Owner to the Master Association, which notice shall be deemed to have been given upon transmission of such facsimile notice or (d)

sent by Internet to an electronic mailbox address provided in writing by such Owner to the Master Association, which notice shall be deemed to have been given upon transmission of such electronic mail by the Master Association. All notices to the Master Association shall be delivered or sent to the following address:

The Colony at The Grand Master Condominium Owners' Association, Inc.
c/o Point Clear Partners, LLC
3595 Grandview Parkway, Suite 400
Birmingham, Alabama 35243
Attention: John D. Gunderson

or to such other address as the Master Association may from time to time specify in a notice to the Owners. All notices to Declarant shall be sent or delivered to Declarant at the above address or to such other address as Declarant may notify the Master Association.

15.13 Further Assurances. Each Owner covenants and agrees to execute, sign and deliver, or cause to be executed, signed and delivered and to otherwise do or make, or cause to be done and made, any and all agreements, instruments, papers, deeds, acts or things, supplemental, confirmatory or otherwise, which may be reasonably requested by Declarant or the Master Association for the purpose of or in connection with clarifying, amending or otherwise consummating any of the transactions and matters herein.

IN WITNESS WHEREOF, Declarant has caused this Master Declaration to be duly executed as of the day and year first above written.

POINT CLEAR PARTNERS, LLC, a Delaware limited liability company

By: Daniel Realty Corporation, an Alabama corporation, Its Manager

By: _____

Its: _____

Sn Vice President

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that John D Gunderson, whose name as Senior Vice President of Daniel Realty Corporation, an Alabama corporation, as Manager of Point Clear Partners, LLC, a Delaware corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed same voluntarily for and as the act of said corporation in its capacity as Manager of the aforesaid limited liability company.

Given under my hand and official seal this 20th day of September, 2006.

Chris Tortorelli

Notary Public

My commission expires: March 3, 2008



EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
FORMING THE CONDOMINIUM

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTWARDLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 239.25 FEET TO A POINT; THENCE RUN N-62°50'58"-W, 339.67 FEET TO A POINT; THENCE RUN N-06°06'48"-E, 375.00 FEET TO A POINT; THENCE RUN S-85°32'18"-E, 341.99 FEET TO THE POINT OF BEGINNING; CONTAINING 3.51± ACRES, MORE OR LESS.

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN N-85°48'37"-E 60 FEET TO A POINT, THENCE RUN SOUTHWESTWARDLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 930.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W 288.27 FEET, AN ARC DISTANCE OF 289.44 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 396.93 FEET TO A POINT; THENCE RUN SOUTHWESTWARDLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 370.00 FEET, A DELTA ANGLE OF 22°37'12", A CHORD OF WHICH BEARS S-24°57'08"-W, 145.13 FEET, AN ARC DISTANCE OF 146.07 FEET TO A POINT; THENCE RUN S-53°51'28"-E, 0.88 FEET TO A POINT, THENCE RUN S-31°20'23"-E, 11.12 FEET TO A POINT; THENCE RUN S-22°11'06"-E, 329.87 FEET TO A POINT; THENCE RUN S-00°00'00"-E, 14.40 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34) THENCE RUN S-89°50'50"-W ALONG THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 20.00 FEET; THENCE RUN N-00°0'00"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 10.43 FEET TO A POINT; THENCE RUN N-22°11'06"-W, 324.34 FEET TO A POINT; THENCE RUN N-50°28'51"-W, 60.00 FEET TO POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 310.00 FEET; A DELTA ANGLE OF 25°52'37", A CHORD OF WHICH BEARS N-26°34'51"-E, 138.82 FEET, AN ARC DISTANCE OF 104.01 FEET TO A

POINT; THENCE RUN N-13°38'32"-E, 396.93 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET, A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS N-04°43'35"-E, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO THE POINT OF BEGINNING. CONTAINING 1.30± ACRES MORE OR LESS.

EXHIBIT B
LEGAL DESCRIPTION OF ADDITIONAL PROPERTY

EXHIBIT B1 - LEGAL DESCRIPTION:

PROPERTY IS LOCATED IN THE SOUTH HALF OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

PARCEL 1:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; RUN THENCE NORTH 89 DEGREES 50 MINUTES 14 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 30, 669.89 FEET; THENCE RUN NORTH 00 DEGREES 07 MINUTES 46 SECONDS WEST, 20.00 FEET TO AN IRON PIPE ON THE NORTH RIGHT-OF-WAY LINE OF BATTLES ROAD (APPARENT 40' RIGHT-OF-WAY) AND THE POINT OF BEGINNING OF THE PROPERTY HEREIN DESCRIBED; THENCE CONTINUE NORTH 00 DEGREES 07 MINUTES 46 SECONDS WEST, 1308.22 FEET; THENCE RUN NORTH 89 DEGREES 19 MINUTES 54 SECONDS WEST, 9.51 FEET TO AN IRON PIN; THENCE RUN NORTH 00 DEGREES 19 MINUTES 48 SECONDS EAST ALONG AN OLD FENCE LINE, 1,324.86 FEET TO AN IRON PIN; THENCE RUN NORTH 89 DEGREES 55 MINUTES 36 SECONDS WEST ALONG AN OLD FENCE, 2,018.26 FEET TO A CONCRETE MONUMENT; THENCE RUN NORTH 89 DEGREES 55 MINUTES 18 SECONDS WEST 474.64 FEET TO A CONCRETE MONUMENT; THENCE RUN SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST ALONG AN OLD FENCE 434.71 FEET TO A CONCRETE MONUMENT; THENCE RUN NORTH 89 DEGREES 52 MINUTES 47 SECONDS WEST ALONG AN OLD FENCE 196.53 FEET TO A CONCRETE MONUMENT; THENCE RUN SOUTH 03 DEGREES 23 MINUTES 31 SECONDS EAST ALONG AN OLD FENCE 341.39 FEET TO AN IRON PIN; THENCE RUN SOUTH 78 DEGREES 45 MINUTES 50 SECONDS EAST ALONG AN OLD FENCE 18.39 FEET; THENCE RUN SOUTH 89 DEGREES 55 MINUTES 09 SECONDS EAST 86.10 FEET; THENCE RUN SOUTH 00 DEGREES 14 MINUTES 53 SECONDS WEST 16.97 FEET TO AN OLD FENCE LINE; THENCE RUN SOUTH 78 DEGREES 45 MINUTES 50 SECONDS EAST ALONG AN OLD FENCE 20.92 FEET TO AN IRON PIN IN A FENCE CORNER; THENCE RUN SOUTH 01 DEGREES 31 MINUTES 43 SECONDS EAST ALONG AN OLD FENCE 514.53 FEET TO AN IRON PIN IN A FENCE CORNER; THENCE RUN SOUTH 76 DEGREES 54 MINUTES 32 SECONDS WEST, ALONG AN OLD FENCE, 168.25 FEET TO AN IRON PIN; THENCE RUN NORTH 66 DEGREES 08 MINUTES 40 SECONDS WEST ALONG AN OLD FENCE, 61.07 FEET TO AN IRON PIN; THENCE RUN NORTH 88 DEGREES 04 MINUTES 32 SECONDS WEST ALONG AN OLD FENCE 84.04 FEET TO AN IRON PIN; THENCE RUN SOUTH 81 DEGREES 48 MINUTES 12 SECONDS WEST ALONG AN OLD FENCE 260.04 FEET TO AN OLD IRON PIPE; THENCE RUN NORTH 85 DEGREES 57 MINUTES 26 SECONDS WEST

*Note: Declarant is not required to add any of the Additional Property to this Master Declaration or may add only portions of the Additional Property to this Master Declaration. The inclusion of this **Exhibit B** to the Master Declaration does not constitute the submission of any of the above-described property to the Declaration.*

ALONG AN OLD FENCE. 191.98 FEET TO AN IRON PIN ON THE EAST RIGHT-OF-WAY LINE OF TWIN BEECH ROAD (FORMERLY KNOWN AS BATTLES ROAD) A 60' RIGHT-OF-WAY; THENCE RUN SOUTH 00 DEGREES 10 MINUTES 14 SECONDS EAST ALONG SAID EAST RIGHT-OF-WAY LINE 1,229.04 FEET; THENCE RUN SOUTHEASTWARDLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50 FEET, AN ARC DISTANCE OF 78.25 FEET (THE CHORD BEARS SOUTH 45 DEGREES 00 MINUTES 12 SECONDS EAST AND MEASURES 70.50 FEET; THENCE RUN SOUTH 89 DEGREES 50 MINUTES 14 SECONDS EAST ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID BATTLES ROAD, 1,201.45 FEET; THENCE DEPARTING SAID NORTH RIGHT-OF-WAY LINE, RUN NORTH 00 DEGREES 09 MINUTES 37 SECONDS EAST 276.36 FEET TO AN IRON PIN; THENCE RUN SOUTH 89 DEGREES 52 MINUTES 01 SECONDS EAST 148.18 FEET TO AN IRON PIN; THENCE RUN NORTH 89 DEGREES 25 MINUTES 49 SECONDS EAST 148.03 FEET TO AN IRON PIN; THENCE RUN SOUTH 00 DEGREES 11 MINUTES 12 SECONDS WEST. 278.33 FEET TO THE AFOREMENTIONED NORTH RIGHT-OF-WAY LINE OF BATTLES ROAD; THENCE RUN SOUTH 89 DEGREES 50' MINUTES 14 SECONDS EAST ALONG SAID NORTH RIGHT-OF-WAY LINE 1,739.24 FEET TO THE POINT OF BEGINNING.

(COPIED FROM THE TITLE COMMITMENT BY COMMONWEALTH LAND TITLE INSURANCE COMPANY, SCHEDULE A, ITEM NO. 4, COMMITMENT NUMBER 04582 WITH REQUESTED CHANGES).

BEING MORE PARTICULARLY DESCRIBED, TO WIT:

COMMENCING AT THE 'LOCALLY ACCEPTED' SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST. ST. STEPHENS MERIDEAN AND RUN THENCE NORTH 89 DEGREES 50 MINUTES 14 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 30 A DISTANCE OF 669.89 FEET; THENCE RUN NORTH 00 DEGREES 07 MINUTES 54 SECOND WEST, 20.11 FEET TO AN IRON PIN MARKER FOR A POINT OF BEGINNING OF THE PROPERTY HEREIN DESCRIBED; THENCE CONTINUE NORTH 00 DEGREES 07 MINUTES 54 SECONDS WEST, 1308.25 FEET TO AN IRON PIN MARKER; THENCE RUN NORTH 89 DEGREES 16 MINUTES 22 SECONDS WEST. 9.55 FEET TO AN IRON PIN MARKER; THENCE RUN NORTH 00 DEGREES 19 MINUTES 48 SECONDS EAST ALONG AN OLD FENCE LINE 1,324.80 FEET TO AN IRON PIPE MARKER; THENCE RUN NORTH 89 DEGREES 55 MINUTES 59 SECONDS WEST, ALONG AN OLD FENCE, 2,018.27 FEET TO A CONCRETE MONUMENT; THENCE RUN NORTH 89 DEGREES 55 MINUTES 43 SECONDS WEST 474.65 FEET TO A CONCRETE MONUMENT; THENCE RUN SOUTH 00 DEGREES 14 MINUTES 21 SECONDS WEST ALONG AN OLD FENCE 434.90 FEET TO A CONCRETE MONUMENT; THENCE RUN NORTH 89 DEGREES 48 MINUTES 32 SECONDS WEST ALONG AN OLD FENCE 196.53 FEET TO A CONCRETE MONUMENT; THENCE RUN SOUTH 03 DEGREES 23 MINUTES 05 SECONDS EAST, ALONG AN OLD FENCE 341.35 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN SOUTH 78 DEGREES 43 MINUTES 55 SECONDS EAST ALONG AN OLD FENCE 18.40 FEET; THENCE RUN SOUTH 89 DEGREES 53 MINUTES 14 SECONDS EAST 86.14 FEET; THENCE RUN SOUTH 00

Note: Declarant is not required to add any of the Additional Property to this Master Declaration or may add only portions of the Additional Property to this Master Declaration. The inclusion of this Exhibit B to the Master Declaration does not constitute the submission of any of the above-described property to the Declaration.

DEGREES 16 MINUTES 48 SECONDS WEST, 16.98 FEET TO AN OLD FENCE LINE; THENCE RUN SOUTH 78 DEGREES 43 MINUTES 55 SECONDS EAST ALONG AN OLD FENCE 20.93 FEET TO AN IRON PIN MARKER AT A FENCE CORNER; THENCE RUN SOUTH 01 DEGREES 40 MINUTES 19 SECONDS EAST ALONG AN OLD FENCE 511.70 FEET TO AN IRON PIN MARKER AT A FENCE CORNER; THENCE RUN SOUTH 76 DEGREES 56 MINUTES 52 SECONDS WEST ALONG AN OLD FENCE 168.25 FEET TO AN IRON PIN MARKER; THENCE RUN NORTH 66 DEGREES 07 MINUTES 38 SECONDS WEST ALONG AN OLD FENCE 60.96 FEET TO AN IRON PIN MARKER; THENCE RUN SOUTH 89 DEGREES 52 MINUTES 34 SECONDS WEST, ALONG AN OLD FENCE 85.24 FEET TO AN IRON PIN MARKER; THENCE RUN SOUTH 81 DEGREES 49 MINUTES 25 SECONDS WEST ALONG AN OLD FENCE, 260.02 FEET TO AN OLD IRON PIPE MARKER; THENCE RUN NORTH 85 DEGREES 57 MINUTES 57 SECONDS WEST ALONG AN OLD FENCE, 192.01 FEET TO AN IRON PIN MARKER ON THE EAST RIGHT-OF-WAY OF TWIN BEECH ROAD (FORMERLY KNOWN AS BATTLES ROAD) A 60' RIGHT-OF-WAY; THENCE RUN SOUTH 00 DEGREES 10 MINUTES 19 SECONDS EAST ALONG SAID EAST RIGHT-OF-WAY 1,228.97 FEET TO AN IRON PIN MARKER; THENCE RUN SOUTHEASTWARDLY, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50 FEET, AN ARC DISTANCE OF 78.26 FEET (THE CHORD BEARS SOUTH 45 DEGREES 01 MINUTES 26 SECONDS EAST, AND MEASURES 70.51 FEET) TO AN IRON PIN MARKER; THENCE RUN SOUTH 89 DEGREES 49 MINUTES 41 SECONDS EAST, ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID BATTLES ROAD 1,201.32 FEET TO AN IRON PIN MARKER; THENCE DEPARTING SAID NORTH RIGHT-OF-WAY, RUN NORTH 00 DEGREES 11 MINUTE 06 SECONDS EAST 276.58 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN SOUTH 89 DEGREES 51 MINUTES 58 SECONDS EAST 148.22 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN NORTH 89 DEGREES 26 MINUTES 07 SECONDS EAST 148.00 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN SOUTH 00 DEGREES 11 MINUTES 29 SECONDS WEST 278.33 FEET TO AN IRON PIN MARKER; THENCE RUN SOUTH 89 DEGREES 50 MINUTES 38 SECONDS EAST, 1,739.22 FEET TO THE POINT OF BEGINNING. TRACT CONTAINS 174.13 ACRES. MORE OR LESS AND LIES IN THE SOUTH HALF OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

(COMPOSED FROM AN ACTUAL FIELD SURVEY).

PARCEL 2:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, RUN NORTH 296 FEET; THENCE EAST 148 FEET; THENCE SOUTH 296 FEET; THENCE WEST 148 FEET TO THE POINT OF BEGINNING EXCEPTING 36 FEET ALONG THE SOUTHLINE HERETOFORE CONVEYED FOR A PUBLIC ROAD BEING OTHERWISE DESCRIBED AS FOLLOWS: BEGIN

Note: Declarant is not required to add any of the Additional Property to this Master Declaration or may add only portions of the Additional Property to this Master Declaration. The inclusion of this Exhibit B to the Master Declaration does not constitute the submission of any of the above-described property to the Declaration.

AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, AS THE POINT OF BEGINNING AND RUN THENCE NORTH 00 DEGREES 23 MINUTES 45 SECONDS EAST, A DISTANCE OF 296.0 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN SOUTH 89 DEGREES 37 MINUTES 54 SECONDS EAST 148.22 FEET TO A CRIMP TOP IRON PIPE MARKER; THENCE RUN SOUTH 00 DEGREES 25 MINUTES 56 SECONDS WEST, 295.47 FEET TO A POINT ON THE SOUTH MARGIN OF SAID SECTION 30; THENCE RUN NORTH 89 DEGREES 50 MINUTES 14 SECONDS WEST 148.0 FEET TO THE POINT OF BEGINNING. SUBJECT TO A RIGHT-OF-WAY EASEMENT 36 FEET WIDE OVER AND ACROSS THE SOUTH MARGIN THEREOF. TRACT LIES IN THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

(COPIED FROM THE TITLE COMMITMENT BY COMMONWEALTH LAND TITLE INSURANCE COMPANY, SCHEDULE A, ITEM NO. 4, COMMITMENT NUMBER 04697A).

PARCEL 3:

FROM THE HALF SECTION CORNER ON THE SOUTH LINE OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, RUN EAST 148 FEET FOR THE POINT OF BEGINNING; RUN THENCE NORTH 296 FEET TO A POINT; RUN THENCE NORTH 89 DEGREES 13 MINUTES 33 SECONDS EAST 148 FEET TO A POINT; RUN THENCE SOUTH 298 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 30; RUN THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 30, A DISTANCE OF 148 FEET TO THE POINT OF BEGINNING. EXCEPTING THEREFROM THE SOUTH 36 FEET THEREOF FOR PUBLIC ROAD PURPOSES.

(COPIED FROM THE TITLE COMMITMENT BY COMMONWEALTH LAND TITLE INSURANCE COMPANY, SCHEDULE A, ITEM NO. 4, COMMITMENT NUMBER 04697).

EXHIBIT B2 - LEGAL DESCRIPTION

COMMENCE AT THE NORTHWEST CORNER OF LOT 1 OF LAKEWOOD CLUB ESTATES, UNIT 1. AS RECORDED IN MAP BOOK 5, PAGE 81, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA FOR THE POINT OF BEGINNING; RUN HENCE SOUTH 31 DEGREES 36 MINUTES 24 SECONDS WEST ALONG THE WEST LINE OF SAID LOT 1 FOR 216.82 FEET TO A CONCRETE MONUMENT FOUND AT THE NORTHWEST CORNER OF LOT 16 OF SAID LAKEWOOD CLUB ESTATES, UNIT 1; RUN THENCE SOUTH 37 DEGREES 02 MINUTES 44 SECONDS WEST ALONG THE WEST LINE OF SAID LOT 16 FOR 214.06 FEET TO THE SOUTHWEST CORNER OF LOT 16 OF SAID LAKEWOOD CLUB ESTATES, UNIT 1; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE NORTH RIGHT-OF-WAY OF U.S. HIGHWAY 98 ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A

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CHORD OF NORTH 64 DEGREES 40 MINUTES 07 SECONDS WEST FOR 44.16 FEET; RUN THENCE NORTH 37 DEGREES 06 MINUTES 54 SECONDS EAST FOR 30.24 FEET; RUN THENCE NORTH 65 DEGREES 49 MINUTES 51 SECONDS WEST FOR 30.00 FEET; RUN THENCE SOUTH 37 DEGREES 06 MINUTES 54 SECONDS WEST FOR 30.02 FEET TO THE NORTH RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE NORTH RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A CHORD OF NORTH 68 DEGREES 07 MINUTES 56 SECONDS WEST FOR 235.32 FEET; RUN THENCE NORTH 70 DEGREES 07 MINUTES 18 SECONDS WEST ALONG THE NORTH RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 FOR 410.51 FEET; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE NORTH RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A CHORD OF NORTH 60 DEGREES 21 MINUTES 58 SECONDS WEST FOR 168.97 FEET; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE EAST RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A CHORD OF NORTH 06 DEGREES 45 MINUTES 48 SECONDS WEST FOR 247.12 FEET; RUN THENCE NORTH 19 DEGREES 22 MINUTES 12 SECONDS EAST ALONG SAID EAST RIGHT-OF-WAY FOR 74.57 FEET TO A 4" X 4" CONCRETE MONUMENT-FOUND; RUN THENCE NORTH 20 DEGREES 27 MINUTES 38 SECONDS EAST ALONG SAID EAST RIGHT-OF-WAY FOR 27.37 FEET; RUN THENCE SOUTH 180 DEGREES 37 MINUTES 17 SECONDS EAST FOR 86.50 FEET; RUN THENCE NORTH 19 DEGREES 36 MINUTES 41 SECONDS EAST FOR 125.33 FEET; RUN THENCE SOUTH 72 DEGREES 07 MINUTES 23 SECONDS EAST FOR 99.94 FEET; RUN THENCE SOUTH 19 DEGREES 29 MINUTES 37 SECONDS WEST FOR 93.51 FEET; RUN THENCE SOUTH 69 DEGREES 45 MINUTES 38 SECONDS EAST FOR 98.22 FEET; RUN THENCE SOUTH 85 DEGREES 43 MINUTES 34 SECONDS EAST FOR 95.44 FEET; RUN THENCE SOUTH 67 DEGREES 48 MINUTES 39 SECONDS EAST FOR 123.48 FEET; RUN THENCE SOUTH 63 DEGREES 29 MINUTES 26 SECONDS EAST FOR 53.24 FEET; RUN THENCE SOUTH 67 DEGREES 01 MINUTES 42 SECONDS EAST FOR 85.62 FEET; RUN THENCE SOUTH 76 DEGREES 11 MINUTES 01 SECONDS EAST FOR 55.31 FEET; RUN THENCE SOUTH 77 DEGREES 20 MINUTES 14 SECONDS EAST FOR 313.17 FEET TO A 4" X 4" CONCRETE MONUMENT; RUN THENCE SOUTH 77 DEGREES 20 MINUTES 14 SECONDS EAST FOR 117.32 FEET; RUN THENCE SOUTH 31 DEGREES 36 MINUTES 24 SECONDS WEST FOR 71.25 FEET TO THE NORTHWEST CORNER OF LOT 1 OF SAID LAKEWOOD CLUB ESTATES, UNIT 1 AND THE POINT OF BEGINNING. SAID PROPERTY CONTAINING 10.23 ACRES, MORE OR LESS.

EXHIBIT B3 – LEGAL DESCRIPTION

COMMENCE AT THE SOUTHWEST CORNER OF LOT 4 OF LAKEWOOD CLUB ESTATES, UNIT 2 AS RECORDED IN MAP BOOK 5, PAGE 198, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; RUN THENCE NORTH 48 DEGREES 05 MINUTES 39 SECONDS

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WEST FOR 569.92 FEET; RUN THENCE SOUTH 41 DEGREES 54 MINUTES 21 SECONDS WEST FOR 29.77 FEET TO A 4" X 4" CONCRETE MONUMENT LOCATED ON THE NORTH RIGHT-OF-WAY OF PINE GROVE DRIVE; RUN THENCE NORTH 48 DEGREES 06 MINUTES 22 SECONDS WEST ALONG THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE FOR 77.13 FEET TO THE POINT OF BEGINNING; CONTINUE THENCE NORTH 48 DEGREES 06 MINUTES 22 SECONDS WEST ALONG THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE FOR 228.31 FEET; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 182.91 FEET FOR AN ARC DISTANCE OF 93.57 FEET, A CHORD OF NORTH 62 DEGREES 45 MINUTES 38 SECONDS WEST FOR 92.55 FEET; RUN THENCE NORTH 77 DEGREES 24 MINUTES 54 SECONDS WEST ALONG THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE FOR 185.61 FEET TO A 4" X 4" CONCRETE MONUMENT; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 36.52 FEET FOR AN ARC DISTANCE OF 39.85 FEET, A CHORD OF NORTH 46 DEGREES 08 MINUTES 58 SECONDS WEST FOR 37.90 FEET; RUN THENCE IN A NORTHEASTERLY DIRECTION ALONG THE NORTHEASTERN RIGHT-OF-WAY OF SAID PINE GROVE DRIVE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 30.16 FEET FOR AN ARC DISTANCE OF 59.32 FEET, A CHORD OF NORTH 41 DEGREES 26 MINUTES 57 SECONDS EAST FOR 50.21 FEET TO THE EAST RIGHT-OF-WAY OF LAKEWOOD DRIVE; RUN THENCE IN A NORTHEASTERLY DIRECTION ALONG THE EAST RIGHT-OF-WAY OF SAID LAKEWOOD DRIVE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 259.53 FEET FOR AN ARC DISTANCE OF 327.50 FEET, A CHORD OF NORTH 61 DEGREES 37 MINUTES 51 SECONDS EAST FOR 306.20 FEET; RUN THENCE NORTH 25 DEGREES 28 MINUTES 46 SECONDS EAST ALONG THE EAST RIGHT-OF-WAY OF SAID LAKEWOOD DRIVE FOR 438.48 FEET TO A 4" X 4" CONCRETE MONUMENT; RUN THENCE NORTH 26 DEGREES 23 MINUTES 14 SECONDS WEST ALONG THE EAST RIGHT-OF-WAY OF SAID LAKEWOOD DRIVE FOR 92.06 FEET; RUN THENCE NORTH 61 DEGREES 07 MINUTES 31 SECONDS EAST FOR 63.97 FEET; RUN THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS WEST FOR 85.63 FEET; RUN THENCE NORTH 60 DEGREES 00 MINUTES 00 SECONDS EAST FOR 300.04 FEET; RUN THENCE NORTH 29 DEGREES 00 MINUTES 00 SECONDS EAST FOR 141.70 FEET; RUN THENCE SOUTH 61 DEGREES 00 MINUTES 00 SECONDS EAST FOR 101.33 FEET; RUN THENCE NORTH 45 DEGREES 00 MINUTES 00 SECONDS EAST FOR 62.85 FEET; RUN THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST FOR 85.71 FEET; RUN THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS EAST FOR 183.17 FEET; RUN THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS WEST FOR 238.20 FEET; RUN THENCE SOUTH 72 DEGREES 00 MINUTES 00 SECONDS WEST FOR 170.73 FEET; RUN THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS WEST FOR 96.43 FEET; RUN THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST FOR 239.62 FEET; RUN THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS WEST FOR 50.58 FEET; RUN THENCE SOUTH 25 DEGREES 28 MINUTES 46 SECONDS WEST FOR 161.11 FEET; RUN THENCE SOUTH 00 DEGREES 00 MINUTES 00

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SECONDS WEST FOR 45.86 FEET; RUN THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS EAST FOR 54.96 FEET; RUN THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST FOR 55.24 FEET; RUN THENCE SOUTH 65 DEGREES 00 MINUTES 00 SECONDS EAST FOR 60.87 FEET; RUN THENCE SOUTH 06 DEGREES 00 MINUTES 00 SECONDS WEST FOR 250.24 FEET; RUN THENCE SOUTH 03 DEGREES 00 MINUTES 00 SECONDS EAST FOR 148.64 FEET; RUN THENCE SOUTH 17 DEGREES 00 MINUTES 00 SECONDS WEST FOR 51.79 FEET; RUN THENCE SOUTH 32 DEGREES 00 MINUTES 00 SECONDS WEST FOR 178.47 FEET TO THE NORTH RIGHT-OF-WAY OF SAID PINE GROVE DRIVE AND THE POINT OF BEGINNING.

EXHIBIT B4 - LEGAL DESCRIPTION

COMMENCE AT THE SOUTHEAST CORNER OF LOT 1 OF POINT CLEAR COURT AS RECORDED ON SLIDE 1586B. PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; RUN THENCE RUN 51 DEGREES 29 MINUTES 25 SECONDS WEST FOR 98.44 FEET TO THE SOUTH RIGHT-OF-WAY OF BATTLES ROAD (AKA COUNTY ROAD NO. 34) FOR THE POINT OF BEGINNING; RUN THENCE SOUTH 89 DEGREES 43 MINUTES 30 SECONDS EAST ALONG THE SOUTH RIGHT-OF-WAY OF SAID BATTLES ROAD FOR 243.70 FEET; RUN THENCE SOUTH 00 DEGREES 16 MINUTES 30 SECONDS WEST FOR 77.85 FEET; RUN THENCE SOUTH 10 DEGREES 08 MINUTES 55 SECONDS WEST FOR

242.52 FEET TO A VOLKERT-CONCRETE MONUMENT SET; RUN THENCE SOUTH 35 DEGREES 18 MINUTES 59 SECONDS WEST FOR 185.12 FEET TO A VOLKERT CONCRETE MONUMENT SET; RUN THENCE SOUTH 13 DEGREES 56 MINUTES 36 SECONDS WEST FOR 209.28 FEET; RUN THENCE SOUTH 06 DEGREES 29 MINUTES 11 SECONDS WEST FOR 225.98 FEET; RUN THENCE SOUTH 31 DEGREES 16 MINUTES 59 SECONDS WEST FOR 322.33 FEET; RUN THENCE NORTH 78 DEGREES 00 MINUTES 30 SECONDS WEST FOR 177.58 FEET; RUN THENCE NORTH 08 DEGREES 55 MINUTES 55 SECONDS EAST FOR 269.41 FEET; RUN THENCE NORTH 11 DEGREES 39 MINUTES 55 SECONDS EAST FOR 230.28 FEET; RUN THENCE NORTH 00 DEGREES 37 MINUTES 45 SECONDS EAST FOR 259.79 FEET; RUN THENCE NORTH 70 DEGREES 35 MINUTES 44 SECONDS EAST FOR 137.60 FEET; RUN THENCE NORTH 44 DEGREES 56 MINUTES 51 SECONDS EAST FOR 194.02 FEET; RUN THENCE NORTH 14 DEGREES 49 MINUTES 14 SECONDS WEST FOR 136.67 FEET; RUN THENCE NORTH 00 DEGREES 16 MINUTES 30 SECONDS EAST FOR 68.42 FEET TO THE SOUTH RIGHT-OF-WAY OF SAID BATTLES ROAD AND THE POINT OF BEGINNING.

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EXHIBIT B5 - LEGAL DESCRIPTION

All that part of Lakewood Drive (a private easement 70 feet in width, not dedicated to the public) as recorded by Lakewood Club Estates Unit 1, recorded in Map Book 5, Page 81, Probate Records, Baldwin County, Alabama beginning on the West at the Easterly line of The Colony at the Grand Tennis Court Subdivision (approved, but not yet recorded), running Easterly along the Northerly line of Lots 1 through 6, of said Lakewood Club Estates Unit 1, past its intersection with Pinegrove Drive and along the Westerly boundary of The Colony at the Grand Clubhouse Subdivision (approved, but not yet recorded) to the point where the entrance drive to Lakewood Golf Club's clubhouse exits the limits of said Lakewood Drive, situated in Section 36, Township 6 South, Range 1 East, Baldwin County, Alabama.

Containing 3.1 acres, more or less.

EXHIBIT B6 - LEGAL DESCRIPTION

A part of Sections 25 and 36, Township 6 South, Range 1 East, Baldwin County, Alabama, being more particularly described as follows:

Commence at the Northwest corner of Lot 1, Lakewood Club Estates Unit 1 as recorded in Map Book 5, Page 81, Probate Records, Baldwin County, Alabama, said point lying on the Southerly right-of-way line of Lakewood Drive and also lying on the Easterly line of The Colony at the Grand Tennis Court Subdivision (approved, but not yet recorded) and run North 31°36'24" East along the Easterly line of said The Colony at the Grand Tennis Court Subdivision a distance of 71.25 feet to the Point of Beginning, said point lying on the Northerly right-of-way line of Lakewood Drive, said point being the Northeasterly corner of said The Colony at the Grand Tennis Court Subdivision, said point also lying on the Westerly tree line of the wooded area bordering fairway number 2 of the Dogwood Course of Lakewood Golf Club; thence meandering in a generally Northerly direction along the Westerly tree line of the wooded area bordering fairway number 2 of the Dogwood Course of Lakewood Golf Club a distance of 1452.8 feet, more or less, to a point; thence meandering in a generally Southeasterly direction along the Northeasterly line of the wooded area bordering fairway number 1 of the Dogwood Course of Lakewood Golf Club a distance of 2025.5 feet, more or less, to a point on the Northwesterly right of way line of Lakewood Drive; thence in a Southwesterly and Westerly direction along the Northwesterly and Northerly right-of-way line of Lakewood Drive a distance of 1715.6 feet, more or less, to the point of beginning.

Containing 22.4 acres, more or less.

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EXHIBIT B7 - LEGAL DESCRIPTION

A part of Sections 30 and 31, Township 6 South, Range 2 East and Sections 25 and 36, Township 6 South, Range 1 East, Baldwin County, Alabama, being more particularly described as follows:

Commence at the Southeast corner of Lot 1, Point Clear Court as recorded on Slide 1586B, Probate Records, Baldwin County, Alabama and run South $51^{\circ}29'25''$ West for 98.44 feet to the South right-of-way line of Battles Road (County Road #34), said point being the Northwestern corner of The Colony at the Grand North Subdivision (approved, but not recorded); thence South $0^{\circ}16'30''$ West along the Westerly line of said subdivision a distance of 68.42 feet to a point; thence South $14^{\circ}49'14''$ East along the Westerly line of said subdivision a distance of 136.67 feet to a point; thence South $44^{\circ}56'51''$ West along the Westerly line of said subdivision a distance of 194.02 feet to a point; thence South $70^{\circ}35'44''$ West along the Westerly line of said subdivision a distance of 137.60 feet to a point; thence South $0^{\circ}37'45''$ West along the Westerly line of said subdivision a distance of 259.79 feet to a point; thence South $11^{\circ}39'55''$ West along the Westerly line of said subdivision a distance of 230.28 feet to a point; thence South $8^{\circ}55'55''$ West along the Westerly line of said subdivision a distance of 269.41 feet to the Point of Beginning of the parcel herein described; thence South $78^{\circ}00'30''$ East along the Southerly line of said subdivision a distance of 30.00 feet to a point; thence South $11^{\circ}59'30''$ West a distance of 191.04 feet to a point on the Northerly tree line of the wooded area bordering fairway number 3 and fairway number 4 of the Azalea Course of Lakewood Golf Club; thence meandering in a generally Easterly direction along the Northerly tree line of the wooded area bordering said fairways 3 and 4 of the Azalea Course of Lakewood Golf Club a distance of 1100.4 feet, more or less to a point; thence in an Easterly direction a distance of 309.4 feet, more or less, to a point on the Westerly right-of-way line of Battles Road; thence in a Southerly direction along the Westerly right-of-way line of Battles Road a distance of 30.00 feet to a point; thence in a Westerly direction a distance of 378.1 feet, more or less, to a point on the Southerly tree line of the wooded area bordering fairway number 5 of the Azalea Course of Lakewood Golf Club; thence meandering in a generally Southwesterly direction along the Southerly tree line of the wooded area bordering fairway number 5 of the Azalea Course of Lakewood Golf Club, and fairways number 14, 15, 16 and 17 of the Dogwood Course of Lakewood Golf Club a distance of 3270.5 feet, more or less, to the Easternmost corner of the The Colony at the Grand Clubhouse Subdivision (approved, but not yet recorded); thence North $45^{\circ}00'00''$ West along the Northeasterly line of said subdivision a distance of 183.17 feet to a point; thence North $90^{\circ}00'00''$ West along the Northerly line of said subdivision a distance of 85.71 feet to a point; thence South $45^{\circ}00'00''$ West along the Northerly line of said subdivision a distance of 62.85 feet to a point; thence North $61^{\circ}00'00''$ West along the Northerly line of said subdivision a distance of 101.33 feet to a point; thence South $29^{\circ}00'00''$ West along the Northerly line of said subdivision a distance of 141.70 feet to a point; thence South $60^{\circ}00'00''$ West along the Northerly line of said subdivision a distance of 252.1 feet, more or less, to a point on the Northerly tree line of the wooded area bordering fairway number 1 of the Azalea Course of Lakewood Golf Club; thence meandering in a generally Northeasterly direction along the Northerly tree line of the wooded area bordering fairway

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number 1 of the Azalea Course of Lakewood Golf Club a distance of 2234.7 feet, more or less to a point; thence North 11°59'30" East a distance of 194.9 feet, more or less, to the point of beginning.

Containing 24.1 acres, more or less.

EXHIBIT B8 – LEGAL DESCRIPTION

BEGINNING AT THE CENTER CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°58'16"-W 289.99 FEET TO A POINT; THENCE RUN N-00°31'37" -W, 417.17 FEET TO A POINT; THENCE RUN N-00°33'35"-W, 237.23 FEET TO A POINT; THENCE RUN N-89°56'46"-E, 422.68 FEET TO A POINT; THENCE RUN N-00°08'06"-E, 552.41 FEET TO A POINT; THENCE RUN N-89°18'43"-W, 215.50 FEET TO A POINT; THENCE RUN N-14°16'34"-W, 500.08 FEET TO A POINT; THENCE RUN N-89°36'32"-W, 508.02 FEET TO A POINT; THENCE RUN N-00°37'04"-E, 127.47 FEET TO A POINT; THENCE RUN N-89°36'32"-W, 387.45 FEET TO A POINT; THENCE RUN S-00°37'04"-W, 127.47 FEET TO A POINT; THENCE RUN N-89°36'32"-W, 162.81 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44; THENCE RUN N-01°32'30"-W ALONG SAID EAST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 142.65 FEET TO A POINT; THENCE RUN N-02°11'46"-W ALONG SAID EAST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 336.07 FEET TO A POINT; THENCE RUN N-88°56'50"-E, LEAVING SAID EAST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 96.49 FEET TO A POINT; THENCE RUN S-00°37'04"-W, 226.17 FEET TO A POINT; THENCE RUN S-89°22'56"-E, 450.00 FEET TO A POINT; THENCE RUN N-00°37'04"-E, 606.05 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44; THENCE RUN N-89°11'29"-E ALONG SAID SOUTH RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 725.01 FEET TO A POINT; THENCE RUN S-00°17'43"-W, LEAVING SAID SOUTH RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 579.01 FEET TO A POINT; THENCE RUN S-89°36'47"-E, 284.55 FEET TO A POINT; THENCE RUN N-00°32'38"-E, 290.93 FEET TO A POINT; THENCE RUN S-89°36'47"-E, 267.01 FEET TO A POINT; THENCE RUN S-00°47'58"-W, 264.44 FEET TO A POINT; THENCE RUN S-89°27'13"-E, 451.85 FEET TO A POINT; THENCE RUN S-00°34'16"-W, 28.59 FEET TO A POINT; THENCE RUN S-89°47'01"-E, 556.83 FEET TO A POINT; THENCE RUN S-00°12'58"-W, 469.66 FEET TO A POINT; THENCE RUN N-89°47'02"-W, 199.33 FEET TO A POINT; THENCE RUN S-00°22'03"-W, 634.33 FEET TO A POINT; THENCE RUN S-00°12'58"-W, 218.69 FEET TO A POINT; THENCE RUN S-89°56'46"-W, 1363.73 FEET TO A POINT; THENCE RUN S-00°08'06"-W, 654.80 FEET TO THE POINT OF BEGINNING; CONTAINING 67.49 ACRES, MORE OR LESS.

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EXHIBIT B9 - LEGAL DESCRIPTION

COMMENCING AT THE CENTER CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-00°08'06"-E, 458.46 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N-00°08'06"-E, 196.52 FEET TO A POINT; THENCE RUN N-89°56'46"-E, 681.83 FEET TO A POINT; THENCE RUN S-00°10'17"-E, 196.52 FEET TO A POINT; THENCE RUN S-89°56'46"-W, 681.69 FEET TO THE POINT OF BEGINNING, CONTAINING 3.08 ACRES, MORE OR LESS.

EXHIBIT B10 - LEGAL DESCRIPTION

BEGINNING AT THE CENTER CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-00°08'06"-E, 458.46 FEET TO A POINT; THENCE RUN N-89°56'46"-E, 681.69 FEET TO A POINT; THENCE RUN S-00°10'17"-E, 458.69 FEET TO A POINT; THENCE RUN S-89°58'52"-W, 681.39 FEET TO THE POINT OF BEGINNING, CONTAINING 7.17 ACRES, MORE OR LESS.

EXHIBIT B11 - LEGAL DESCRIPTION

BEGINNING AT THE NORTHWEST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-88°55'23"-E, 1280.90 FEET TO A POINT; THENCE RUN SOUTH, 420.50 FEET TO A POINT; THENCE RUN N-88°56'50"-E, 55.03 FEET TO A POINT ON THE WEST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44; THENCE RUN S-01°42'23"-W, ALONG SAID WEST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 343.88 FEET TO A POINT; THENCE RUN S-01°32'30"-E, ALONG SAID WEST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 144.56 FEET TO A POINT; THENCE RUN S-03°43'30"-E, ALONG SAID WEST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 68.04 FEET TO A POINT; THENCE RUN WEST, LEAVING SAID WEST RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NUMBER 44, 255.00 FEET TO A POINT; THENCE RUN SOUTH, 412.50 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF HENSHAW ROAD; THENCE RUN WEST, ALONG SAID NORTH RIGHT-OF-WAY OF HENSHAW ROAD, 127.54 FEET TO A POINT; THENCE RUN S-00°06'59"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF HENSHAW ROAD, 676.16 FEET TO A POINT; THENCE RUN N-89°57'48"-E, 61.91 FEET TO A POINT; THENCE RUN S-04°10'14"-E, 191.99 FEET TO A POINT; THENCE RUN S-88°04'46"-W, 217.10 FEET TO A POINT; THENCE RUN N-83°05'04"-W, 205.48 FEET TO A POINT; THENCE RUN WEST, 210.00 FEET TO A POINT; THENCE RUN SOUTH, 394.30 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF POINT CLEAR COURT SUBDIVISION, RECORDED ON SLIDE NUMBER 1587-B, IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA; THENCE RUN S-89°11'53"-W, ALONG SAID NORTH BOUNDARY OF POINT CLEAR COURT SUBDIVISION, 396.73 FEET TO A

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POINT; THENCE RUN N-00°02'32"-E, 2614.04 FEET TO THE POINT OF BEGINNING; LESS AND EXCEPT THAT PORTION WHICH LIES WITHIN THE RIGHT-OF-WAY (50 FEET WIDE) OF HENSHAW ROAD; CONTAINING 60.72 ACRES, MORE OR LESS.

EXHIBIT B12 – LEGAL DESCRIPTION

COMMENCING AT THE CENTER CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°58'52"-E, 681.39 FEET TO THE POINT OF BEGINNING; THENCE RUN N-00°01'22"-E, 655.21 FEET TO A POINT; THENCE RUN N-89°56'46"-E, 681.91 FEET TO A POINT; THENCE RUN S-00°12'30"-W, 655.56 FEET TO A POINT; THENCE RUN S-89°58'30"-W, 681.50 FEET TO THE POINT OF BEGINNING; CONTAINING 10.26 ACRES, MORE OR LESS.

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EXHIBIT C

ALLOCATED INTEREST

<u>Unit No.</u>	<u>Gross Acreage of Unit</u>	<u>Allocated Interest</u>
2	3.51 acres	100%

EXHIBIT D

DESCRIPTION OF COMMON ELEMENTS

The Common Elements consist of and include all portions of the Condominium other than the Units and shall include, without limitation, the following:

- (a) All Common Elements shown on the Plans.
- (b) Any sidewalks, walkways, paths, landscaping, grass, shrubbery, trees, driveways, roadways and related facilities, if any, situated within the Property (but excluding any of the foregoing lying within the boundaries of any Unit);
- (c) All exterior signage and lighting for any portion of the Condominium (other than any such exterior signage or lighting which is situated within the boundaries of any Unit).
- (d) All easements, rights and appurtenances affecting or relating to the use of the Condominium (other than any easements, rights or appurtenances which are for the benefit of less than all of the Units).
- (e) All Utility Lines lying within any of the Common Elements which serve any of the Units (other than Utility Lines which are maintained by any utility company or utility provider).
- (f) All roadways within the Condominium (other than roadways located within the boundaries of any Unit).
- (g) All access gates, access control devices and similar devices and equipment, if any, which are used to limit and restrict access to the Property and any of the access roads or access areas which provide access to the Property (other than any such gates, devices or equipment located solely within the boundaries of any Unit).
- (h) All swimming pools and related swim facilities, all other recreational facilities and amenities, if any, lakes, parking areas, nature or conservation areas, entrance features, trails and other similar amenities, if any, situated within the Property (but excluding any of the foregoing lying within the boundaries of any Unit);
- (i) Any areas which are within the Condominium which are maintained by the Master Association or for which the Master Association is responsible for maintaining (other than any such areas lying within the boundaries of any Unit); and
- (j) All areas designated as Limited Common Elements on the Plans.

EXHIBIT E

DESCRIPTION OF LIMITED COMMON ELEMENTS

The Limited Common Elements shall consist of and include those Common Elements which serve or benefit only some but not all of the Units, including, without limitation, the following:

- (a) Any areas designated as Limited Common Elements on the Plans.

EXHIBIT F

BYLAWS

See Attached.

**BYLAWS
OF
THE COLONY AT THE GRAND
MASTER CONDOMINIUM OWNERS' ASSOCIATION, INC.**

TABLE OF CONTENTS
OF BYLAWS OF
THE COLONY AT THE GRAND MASTER CONDOMINIUM OWNERS' ASSOCIATION, INC.

ARTICLE I
THE ASSOCIATION

Section 1.01	Name.....	1
Section 1.02	Principal Office.....	1
Section 1.03	Registered Office.....	1

ARTICLE II
MEMBERS

Section 2.01	Membership.....	1
Section 2.02	Annual Meeting.....	2
Section 2.03	Special Meetings.....	2
Section 2.04	Place of Meeting.....	2
Section 2.05	Notice of Meeting.....	2
Section 2.06	Quorum.....	2
Section 2.07	Proxies.....	3
Section 2.08	Voting by Members.....	3
Section 2.09	Ballot Voting in Lieu of Meetings.....	4
Section 2.10	Suspension of Voting Rights.....	5
Section 2.11	Order of Business.....	5

ARTICLE III
BOARD OF DIRECTORS

Section 3.01	General Powers.....	5
Section 3.02	Number, Qualifications and Nominations.....	5
Section 3.03	Election, Tenure, Removal and Replacement of Directors.....	7
Section 3.04	Regular Meetings.....	8
Section 3.05	Special Meetings.....	9
Section 3.06	Notice.....	8
Section 3.07	Quorum.....	8
Section 3.08	Manner of Acting.....	9
Section 3.09	Action Without a Meeting.....	9
Section 3.10	Vacancies.....	9
Section 3.11	Compensation.....	9
Section 3.12	Committees.....	9
Section 3.13	Resignations.....	9
Section 3.14	Participation in Meetings by Conference Telephone.....	9
Section 3.15	Delegation of Authority.....	10

**ARTICLE IV
OFFICERS**

Section 4.01	Principal Officers.....	10
Section 4.02	Election of Principal Officers; Term of Office.....	10
Section 4.03	Subordinate Officers, Agents and Employees.....	10
Section 4.04	Delegation of Duties of Officers.....	10
Section 4.05	Removal of Officers or Agents.....	10
Section 4.06	Resignations.....	11
Section 4.07	Vacancies.....	11
Section 4.08	Chairperson of the Board.....	11
Section 4.09	President.....	12
Section 4.10	Vice Presidents.....	11
Section 4.11	Secretary.....	11
Section 4.12	Treasurer.....	12
Section 4.13	Salaries.....	13

**ARTICLE V
FISCAL MATTERS AND BOOKS AND RECORDS**

Section 5.01	Fidelity Bonds.....	12
Section 5.02	Books and Records Kept by Association.....	12
Section 5.03	Inspections.....	12
Section 5.04	Contracts.....	13
Section 5.05	Checks, Drafts, etc.....	13
Section 5.06	Deposits.....	14
Section 5.07	Gifts.....	13
Section 5.08	Fiscal Year.....	14
Section 5.09	Annual Budget.....	14
Section 5.10	Surplus Funds.....	14
Section 5.11	Notices.....	14

**ARTICLE VI
INSURANCE**

Section 6.01	Types of Coverage.....	15
Section 6.02	Indemnification Insurance.....	15

**ARTICLE VII
NOTICE, HEARINGS AND APPEALS**

Section 7.01	Right to Notice and Hearing.....	15
Section 7.02	Appeals.....	16

ARTICLE VIII
GENERAL PROVISIONS

Section 8.01	Waiver of Notice.....	16
Section 8.02	Incorporation by Reference.....	16
Section 8.03	Amendments.....	17
Section 8.04	Seal.....	17

**BYLAWS
OF
THE COLONY AT THE GRAND MASTER CONDOMINIUM OWNERS' ASSOCIATION, INC.**

**ARTICLE I
THE MASTER ASSOCIATION**

Section 1.01 Name. The name of this Association shall be "The Colony at The Grand Master Condominium Owners' Association, Inc.", an Alabama nonprofit corporation (the "Association"), which has been formed pursuant to Articles of Incorporation of the Association (the "Articles of Incorporation") which have been filed with the Office of the Judge of Probate of Baldwin County, Alabama. The provisions of these Bylaws are expressly subject to the terms and provisions of the Declaration of Condominium of The Colony at The Grand Master Condominium dated as of September 19, 2006 which has been or will be recorded in the Office of the Judge of Probate of Baldwin County, Alabama (which, together with all subsequent amendments thereto, is hereinafter referred to as the "Master Declaration"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Master Declaration.*

Section 1.02 Principal Office. The principal office of the Master Association shall be located at c/o Point Clear Partners, LLC, a Delaware limited liability company, 3595 Grandview Parkway, Suite 400, Birmingham, Alabama 35243. The Master Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate from time to time.

Section 1.03 Registered Office. The registered office of the Master Association required by the Alabama Nonprofit Corporation Act to be maintained in the State of Alabama shall be the same as the principal office of the Master Association.

**ARTICLE II
MEMBERS**

Section 2.01 Membership. Each Person who is the Owner of any Unit within the Condominium shall be a member of the Master Association. Declarant shall be deemed a member of the Master Association and, subject to the limitations set forth in Sections 3.03(b), 3.03(c) and 3.03(e) below, shall have all voting rights attributable to each Unit owned by Declarant. Membership in the Master Association shall be appurtenant to, and may not be separated from, ownership of a Unit. As used in these Bylaws, "Member" shall mean an Owner, as defined in the Master Declaration. Notwithstanding anything provided herein or in the Articles of Incorporation to the contrary, during the Declarant Control Period, Declarant shall have the sole and exclusive right to appoint and remove certain members of the Board of Directors of the Master Association in accordance with the terms and provisions of Section 3.03(a) below. The voting rights of any Member who has violated the Master Declaration or who is in default in the payment of any Assessments may be limited and suspended in accordance with the provisions of the Master Declaration or these Bylaws. Any Member whose voting rights in the Master Association have been suspended shall not,

during the period of such suspension, be (a) entitled to vote on any matters submitted to the Members for approval hereunder or under the Master Declaration or Articles or (b) counted in determining whether a quorum exists for any meeting of the Members or in determining whether the requisite number of Members have voted on any matter submitted to the Members in a ballot vote pursuant to Section 2.09 below.

Section 2.02 Annual Meeting. The annual meeting of the Members of the Master Association shall be held annually on such date and at such time during either the first quarter or fourth quarter of each calendar year as shall be established from time to time by the Board of Directors. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. At each annual meeting, the Members of the Master Association shall, subject to the terms of Section 3.03 of these Bylaws, elect the Board of Directors of the Master Association and otherwise transact such other business as may come before such meeting.

Section 2.03 Special Meetings. Subject to the provisions of Section 2.09 below, special meetings of Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or a majority of the Directors of the Master Association and shall be called by the President or Secretary of the Master Association upon the petition of at least twenty percent (20%) or more of the total votes in the Master Association. As used herein, the term "total votes in the Master Association" shall mean and refer to the total number of votes of all Owners (Members) entitled to vote on any matter determined pursuant to the respective Allocated Interests of the Owners (Members).

Section 2.04 Place of Meeting. Subject to the provisions of Section 2.09 below, the Board of Directors may designate any place, either within or without the State of Alabama, as the place of meeting for any annual or special meeting of the Members. In the absence of any designation, all meetings shall be held at the principal office of the Master Association in the State of Alabama.

Section 2.05 Notice of Meeting. Subject to the provisions of Section 2.09 below, written or printed notice (or wireless transmission via facsimile or electronic mail to the extent any Member has, by written notice to the Master Association, requested that all notices to such Member be provided by either of the foregoing forms of wireless transmission) stating the place, day and hour of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Master Declaration or Bylaws, any budget changes, and any proposal to remove an officer or a member of the Board, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail (or by wireless transmission via facsimile or electronic mail to the extent any Member has, by written notice to the Master Association, requested that all notices to such Member be provided by either of the foregoing forms of wireless transmission).

Section 2.06 Quorum. Subject to the provisions of Sections 2.08, 2.09, 2.10 and 5.09 below, with respect to the annual or any special meeting of the Members of the Master Association, a quorum shall be deemed to exist if Owners (Members) entitled to cast at least twenty percent (20%)

of the total votes in the Master Association are present, in person or by proxy, at the beginning of such meeting. At such time that a quorum is obtained, the vote of a "majority", or "majority in interest" as defined in Section 2.08(c) below, of the Members entitled to vote on such matters shall be required to approve any matter submitted to the Members of the Master Association for approval. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members thereby leaving less than a quorum.

Section 2.07 Proxies. At all meetings of the Members of the Master Association and in all ballot votes of the Members of the Master Association held pursuant to Section 2.09 below, a Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Master Association before or at the time of the meeting or at the time of any ballot vote held pursuant to Section 2.09 below. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 2.08 Voting by Members.

(a) Subject to the provisions of this Section 2.08 and Sections 2.10 and 3.03 below, with respect to any matters to be voted on by the Members (Owners) pursuant to the terms and provisions of these Bylaws, the Articles of Incorporation or the Master Declaration, such voting shall be undertaken on the basis of the Allocated Interest of all Members with each Member entitled to that number of votes equal to the product of the Allocated Interest attributable to such Member's Unit multiplied by 100.

(b) No fractional voting shall be permitted. If a Unit is owned by more than one Person and if only one of those Persons is present at a meeting of the Master Association, then that Person shall be entitled to cast the vote appertaining to such Unit; provided, however, that if more than one of those Persons is present, the vote appertaining thereto shall be cast only in accordance with their unanimous agreement, and, if no unanimous agreement is reached, the vote appurtenant to such Unit shall be suspended and shall not be counted in any vote held at a meeting of the Members or in any ballot vote held pursuant to the provisions of Section 2.09 below; provided, however, that (i) such Member (Owner) shall be counted for the purpose of determining whether a quorum exists for the holding of any meeting of the Members and (ii) if in a ballot vote, a ballot is submitted to the Master Association but not signed by all Persons who constitute the Owners of a Unit, then such Unit shall be counted in determining whether the minimum number of votes in the Master Association have been cast in such ballot vote although such ballot shall not be counted as being cast either in favor of or against any proposal submitted to the Members for a vote in a ballot vote.

(c) For purposes of these Bylaws and the Articles of Incorporation, the vote of a "majority" or a "majority in interest" of the Members of the Master Association shall mean the vote, whether in person or by proxy, of at least fifty-one percent (51%) of the total number of votes entitled to vote on a matter which are voted either (i) at a duly constituted annual or special meeting of the Members (i.e., an annual or special meeting at which a quorum is present) or (ii) in a ballot vote held in accordance with the terms and provisions of Section 2.09 hereof; provided, however,

that any Member whose voting rights in the Master Association are then currently suspended pursuant to any of the terms and provisions of these Bylaws, the Articles or the Master Declaration shall not be entitled to vote on any matters and shall not be included in any determination as to whether a quorum exists or the minimum number of votes are cast in a ballot vote. Unless a greater proportion is specified in these Bylaws or the Articles of Incorporation and, subject to the terms and provisions of this Section 2.08 and Sections 2.10 and 3.03 of these Bylaws, any matter which requires the vote of, approval, disapproval or consent of the Members of the Master Association shall be deemed to have been given if a "majority" of the votes in the Master Association entitled to vote on a matter which are represented at a duly constituted meeting or in a ballot vote held in accordance with the terms and provisions of Section 2.09 below, either in person or by proxy, affirmatively vote for, approve, disapprove or consent to the same. There shall be no cumulative voting by the Members.

(d) Notwithstanding anything provided in these Bylaws or the Articles of Incorporation to the contrary, any amendments to the Master Declaration (including, without limitation, the termination of the Master Declaration) must be voted on and approved by the requisite number of Members (Owners) as set forth in the Master Declaration.

Section 2.09 Ballot Voting in Lieu of Meetings.

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

(i) Any matters to be submitted to the Members for approval pursuant to a ballot vote shall (1) be set forth on a ballot, the form of which must be approved by the Board of Directors, (2) subject to the provisions of Section 2.10 below, be mailed to all Members of the Master Association entitled to vote on such matters (utilizing the notice provisions set forth in Section 5.10 hereof) not less than ten (10) days nor more than sixty (60) days before the date such ballots shall be counted by the Board of Directors and (3) specify that all such ballots must be returned to and received by the Master Association no later than 12:00 p.m. on the date specified on such ballot as the date on which the ballots will be counted by the Board of Directors;

(ii) With respect to any ballot vote, the Members (Owners) shall have the right to vote and the voting right set forth in Section 2.08(a) above; and

(iii) Any matter submitted to the Members for approval by ballot vote shall be deemed approved only if (1) ballots are cast by at least twenty percent

(20%) of the total number of voters which are entitled to vote on such matter (regardless of whether such ballots are cast for or against such matter) and (2) fifty-one percent (51%) of the total number of votes cast in such ballot vote approve such matter.

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

Section 2.10 Suspension of Voting Rights. Any Member who has not timely paid any Assessments due to the Master Association pursuant to any of the provisions of the Master Declaration (following the giving of any required notices and the expiration of any applicable cure periods) shall not be entitled to vote on any matters submitted to the Members for a vote, shall not be included in determining whether a quorum exists or whether the requisite number of Members have voted in a ballot vote and shall not be considered in good standing (and thereby will not be eligible to be nominated or serve as a Director of the Master Association).

Section 2.11 Order of Business. The order of business at all meetings of the Members, as far as practical, shall be:

- (a) Calling the Roll and Certifying Proxies;
- (b) Proof of Notice of Meeting and Waiver(s) of Notice;
- (c) Reading and disposal of any unapproved Minutes;
- (d) Reports of Officers;
- (e) Reports of committees;
- (f) Reports of Inspectors for Elections (when so required);
- (g) Election of Directors (when so required);
- (h) Unfinished (Old) Business;
- (i) New Business; and
- (j) Adjournment.

ARTICLE III **BOARD OF DIRECTORS**

Section 3.01 General Powers. The business and affairs of the Master Association shall be managed by or under the direction of its Board of Directors (individually a "Director" and collectively, the "Directors"). The Board of Directors shall have all of the powers and duties necessary for the administration of the business and affairs of the Master Association and may do all acts and things for and on behalf of the Master Association as may be authorized or allowed under these Bylaws, the Articles of Incorporation, the Master Declaration, the Act or otherwise by law. Except as otherwise expressly provided to the contrary in these Bylaws, the Master Declaration or the Act, all actions and powers of the Master Association shall be taken and exercised solely by the Board of Directors.

Section 3.02 Number, Qualifications and Nominations.

(a) The number of Directors of the Master Association initially shall be three (3). Subject to the terms and provisions of Sections 3.02(b) and 3.02(c) below, all Directors shall be elected by a majority in interest of the Owners entitled to vote at a duly constituted meeting of the Members or by a duly conducted ballot vote in accordance with the provisions of Section 2.09 above.

(b) During the Declarant Control Period, Declarant will have the sole and exclusive right to appoint, remove and designate all officers of the Master Association and all members of the Board, except as follows:

(i) No later than ninety (90) days after the conveyance of twenty-five percent (25%) of all Units which may be created pursuant to the Master Declaration to Owners other than Declarant, at least one member of the Board and not less than twenty-five percent (25%) of the members of the Board must be elected by Owners other than Declarant; and

(ii) No later than ninety (90) days after the conveyance of fifty percent (50%) of all Units which may be created pursuant to the Master Declaration to Owners other than Declarant, not less than thirty-three and one-third percent (33- $\frac{1}{3}$ %) of the members of the Board must be elected by Owners other than Declarant.

For the purposes of this Section 3.02(b), the references above to the conveyance of twenty-five percent (25%) and fifty percent (50%) of all Units shall refer to the actual number of Units within the Condominium without regard to the Allocated Interests for any of the Units.

(c) Notwithstanding anything provided to the contrary in Section 3.02(b) above, Declarant may, in its sole and absolute discretion, voluntarily surrender the right to appoint and remove officers and members of the Board prior to the termination of the Declarant Control Period; provided, however, that in such event, Declarant may require, in an instrument executed and recorded by Declarant in the Probate Office, that, for the duration of the Declarant Control Period, specific actions by or on behalf of the Master Association and Board be subject to the approval of Declarant prior to the same becoming effective.

(d) Following the expiration of the Declarant Control Period, all members of the Board shall be elected by the Owners (including Declarant, to the extent the Declarant is the Owner of any Unit).

(e) Directors appointed by Declarant need not be residents of the State of Alabama or Members of the Master Association. Directors elected by the Members must, subject to the provisions of §35-8A-303(f) of the Act, be (i) Members or spouses of Members who are in good standing with the Master Association and not subject to any suspended Membership status pursuant to Section 2.10 above, (ii) an agent, employee, trustee, beneficiary, officer, director, shareholder,

partner, member or manager of any Member or (iii) Declarant or any of its, agents, employees, trustees, beneficiaries, officers, directors, shareholders, partners, members or managers.

(f) At any and all times that any members of the Board of Directors are to be elected by the vote of the Members, the then existing members of the Board of Directors shall appoint a nominating committee which nominating committee may, at the option of the then existing members of the Board of Directors, consist of a nominating committee which shall nominate prospective candidates for positions on the Board of Directors. At least ten (10) days prior to any meeting of the Members (or any ballot vote held in lieu of any meeting), the nominating committee shall provide written notice to all Members identifying those candidates who have been nominated for any positions on the Board of Directors which will be filled by the vote of the Members. The number of candidates proposed to fill upcoming vacancies on the Board of Directors shall be determined by the nominating committee.

(g) At each meeting of the Members (or any ballot vote held in lieu of any such meeting) at which the Members are to elect any Directors, the Members will have the right to nominate from the floor (or write-in on any ballot) the name(s) of any Member(s) not nominated by the nominating committee as a candidate for any position on the Board of Directors which will be vacated and filled by the vote of the Members at such meeting (or any ballot vote held in lieu of any such meeting).

Section 3.03 Election, Tenure, Removal and Replacement of Directors.

(a) Subject to the provisions of Section 3.02(b) above, prior to the expiration of the Declarant Control Period, Declarant shall have the sole and exclusive right to appoint and remove, with or without cause, all members of the Board of Directors of the Master Association. Each member of the Board of Directors appointed by Declarant shall serve an initial term of one (1) year; provided, however, that Declarant may, in its sole discretion, remove any member of the Board of Directors appointed by Declarant at any time, with or without cause, upon written notice to such member of the Board of Directors. In the event of the death or resignation of a member of the Board of Directors appointed by Declarant, Declarant shall appoint a substitute member of the Board of Directors to fill the vacancy of such deceased or resigned member of the Board of Directors for the remainder of the term of such former member of the Board.

(b) Upon the first to occur of either of the events specified in Section 3.02(b)(i) or 3.02(b)(ii) above, an election shall be held for the election of a Director whom the Owners shall elect, which Director shall be elected by the vote of a majority of the Members of the Master Association and shall serve a term of one (1) year from the date of his or her election. Thereafter, continuing on the anniversary date of such election until the expiration of the Declarant Control Period, the Members of the Master Association shall re-elect a Director for a term of one (1) year each year thereafter or until the expiration of the Declarant Control Period, whichever first occurs. Until the expiration of the Declarant Control Period, the Declarant shall appoint and have the right to remove at any time and from time to time any and all Directors appointed by Declarant.

(c) Any Members of the Board of Directors to be elected by the Members shall be elected at either an annual or special meeting by the vote of a majority of the Members.

(d) Upon the expiration of the Declarant Control Period, the President shall call for an election by which the Members, including Declarant to the extent Declarant owns any Unit, shall be entitled to elect all members of the Board of Directors in accordance with the terms and provisions of Section 3.02 above. All Board Members elected by the Members shall serve a one (1) year term and shall continue to serve until such time as their respective successors have been duly elected. At each subsequent annual meeting of the Members (or any ballot of vote held in lieu of any annual meeting) following the expiration of the Declarant Control Period, the Members shall elect all members of the Board of in accordance with the terms and provisions of Section 3.02 above, each of which shall serve a one (1) year term.

(e) At any annual or special meeting of the Members duly called at which a quorum is present, any one or more of the Directors, other than Directors appointed by Declarant, may be removed with or without cause by the vote of the Members holding at least two-thirds ($\frac{2}{3}$) in interest (based on the applicable Allocated Interests of all Owners) of all votes in the Master Association who are present in person or by proxy and entitled to vote at such meeting and a successor Director may then and there be elected to fill the vacancy thus created.

(f) In the event of the death or resignation of a member of the Board of Directors, other than a Director appointed by Declarant, then the remaining members of the Board of Directors shall cause a special meeting (or a ballot vote) to be held as soon as possible thereafter at which time those Members who are entitled to vote on the Director who has died or resigned shall elect, pursuant to the terms and provisions of either Section 3.02(b) or Section 3.03(d) above, as applicable, a substitute Director to fill the vacancy of such deceased or resigned Director who shall serve for the remainder of the term of such former member of the Board of Directors. In the event of the death or resignation of a member of the Board of Directors appointed by Declarant, then Declarant shall appoint a substitute Director to fill the vacancy of such deceased or resigned member of the Board of Directors who shall serve for the remainder of the term of such former member of the Board of Directors.

Section 3.04 Regular Meetings. A regular meeting of the Board of Directors shall be held, without further notice immediately after, and at the same place as, the annual meeting of the Members of the Master Association; provided, however, that any such annual meeting of the Board of Directors may be held at any other time or place as determined by a majority of the members of the Board of Directors. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Alabama, for the holding of regular meetings without further notice.

Section 3.05 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The Person or Persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Alabama, as the place for holding any special meeting of the Board of Directors called by them.

Section 3.06 Notice. No notice of any annual, regular or special meeting of the Board of Directors shall be given so long as a quorum is present at any such meeting.

Section 3.07 Quorum. A majority of the number of Directors fixed by Section 3.02(a) of these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Members of the Board of Directors may participate in any meetings by means of a conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting. If a quorum is present when the meeting is convened, the Directors present may continue to do business, taking action by a vote of a majority of quorum as fixed above, until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum as fixed above, or the refusal of any Director present to vote.

Section 3.08 Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, the Master Declaration, the Articles of Incorporation, or these Bylaws. As used throughout these Bylaws, the term "majority of the Directors" or "a majority of the number of Directors" or similar terms relating to any action to be taken by the Directors shall mean at least fifty-one percent (51%) of all of those Directors present at a duly convened meeting of the Board of Directors at which a quorum is present have approved or consented to such proposed action or matter.

Section 3.09 Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting of the Board of Directors if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

Section 3.10 Vacancies. Any vacancy occurring in the Board of Directors shall be filled as provided in Section 3.03 above. A Director elected or appointed to fill a vacancy shall be elected to serve for the unexpired term of his predecessor in office.

Section 3.11 Compensation. By resolution of the Board of Directors, each Director may be paid his or her expenses, if any, of attendance at each meeting of the Board of Directors. No such payment shall preclude any Director from serving the Master Association in any other capacity and receiving compensation therefor.

Section 3.12 Committees. The Board of Directors, by resolution adopted by a majority of the Directors, may designate from among the Members one or more committees. No such committee shall have the authority of the Board of Directors. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Director of any responsibility imposed upon it or such Director by law.

Section 3.13 Resignations. Any Director of the Master Association may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Secretary of the Master Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.14 Participation in Meetings by Conference Telephone. Members of the Board of Directors or any committee designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

Section 3.15 Delegation of Authority. The Board, by resolution adopted by a majority of the Directors, may delegate to a Director, to the Managing Agent or to any other Person, the authority to act on behalf of the Board, which authority may include, without limitation, any of the powers of the Board of Directors and any of the powers of any of the officers of the Master Association set forth in these Bylaws, the Articles or the Master Declaration.

ARTICLE IV **OFFICERS**

Section 4.01 Principal Officers. The principal officers of the Master Association shall be elected by the Board of Directors and shall include a President, one or more Vice Presidents, a Secretary and a Treasurer and may, at the discretion of the Board of Directors, also include a Chairperson of the Board and such other officers as may be designated from time to time. Any number of offices may be held by the same Person, except the offices of President and Secretary. None of the principal officers need be Directors or Members of the Master Association.

Section 4.02 Election of Principal Officers; Term of Office. The principal officers of the Master Association shall be elected annually by the Board of Directors. Each principal officer shall hold office until his or her successor shall have been duly elected and qualified or until such officer's death or until such officer shall resign or shall have been removed in the manner hereinafter provided. If the Board of Directors shall fail to fill any principal office at an annual meeting of the Board of Directors, or if any vacancy in any principal office shall occur, or if any principal office shall be newly created, such principal office may be filled at any regular or special meeting of the Board of Directors.

Section 4.03 Subordinate Officers, Agents and Employees. In addition to the principal officers, the Master Association may have such other subordinate officers, agents and employees as the Board of Directors may deem advisable each of whom shall hold office for such period and have such authority and perform such duties as the Board of Directors, the Chairperson of the Board, the President, or any officer designated by the Board of Directors, may from time to time determine. The Board of Directors at any time may appoint and remove, or may delegate to any principal officer

the power to appoint and to remove, any subordinate officer, agent or employee of the Master Association.

Section 4.04 Delegation of Duties of Officers. The Board of Directors may delegate the duties and powers of any officer of the Master Association to any other officer or to any Director for a specified period of time for any reason that the Board of Directors may deem sufficient.

Section 4.05 Removal of Officers or Agents. Any officer or agent of the Master Association may be removed by the Board of Directors at any time, either with or without cause, and the Board of Directors may appoint a successor to such removed officer and agent. Election or appointment of any officer or agent shall not of itself create contract rights.

Section 4.06 Resignations. Any officer may resign at any time by giving written notice of resignation to the Board of Directors, to the Chairman of the Board, to the President or to the Secretary. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make the resignation effective.

Section 4.07 Vacancies. A vacancy in any office, the holder of which is elected or appointed by the Board of Directors, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of such office. A vacancy in any other office for any reason shall be filled by the Board of Directors, or any committee, or officer to whom authority for the appointment, removal or filling of vacancies may have been delegated by these Bylaws or by resolution of the Board of Directors.

Section 4.08 Chairperson of the Board. The Chairperson of the Board, who must be a Director, shall preside at all meetings of the Members of the Master Association and of the Board of Directors at which he or she is present. The Chairperson of the Board shall have such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

Section 4.09 President. The President shall, in the absence of the Chairman of the Board, preside at all meetings of the Members of the Master Association at which he or she is present. The President shall be the chief executive officer of the Master Association and, subject to the control of the Board of Directors, shall have general supervision over the business and affairs of the Master Association. The President shall have all powers and duties usually incident to the office of the President except as specifically limited by resolution of the Board of Directors. The President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

Section 4.10 Vice Presidents. In the absence or disability of the President or if the office of President be vacant, the Vice Presidents, in the order determined by the Board of Directors, or if no such determination has been made, in the order of their seniority, shall perform the duties and exercise the powers of the President, subject to the right of the Board of Directors at any time to

extend or confine such powers and duties or to assign them to others. Any Vice President may have such additional designation in his or her title as the Board of Directors may determine. Each Vice President shall generally assist the President in such manner as the President shall direct. Each Vice President shall have the right and authority to execute any documents, instruments and agreements on behalf of the Master Association and shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

Section 4.11 Secretary. The Secretary shall act as Secretary of all meetings of the Members of the Master Association and of the Board of Directors at which he or she is present, shall record all the proceedings of all such meetings in a minute book to be kept for that purpose, shall have supervision over the giving and service of notices of the Master Association, and shall have supervision over the care and custody of the records and seal of the Master Association. The Secretary shall be empowered to affix the corporate seal to documents, the execution of which on behalf of the Master Association under its seal is duly authorized, and when so affixed may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary, except as specifically limited by a resolution of the Board of Directors, including, without limitation, the right and authority to designate other Persons who shall have the right to exercise any of the rights, duties and authority of the Secretary set forth in this Section 4.11. The Secretary shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

Section 4.12 Treasurer. The Treasurer shall have general supervision over the care and custody of the funds and over the receipts and disbursements of the Master Association and shall cause the funds of the Master Association to be deposited in the name of the Master Association in such banks or other depositories as the Board of Directors may designate. The Treasurer shall have all powers and duties usually incident to the office of Treasurer except as specifically limited by a resolution of the Board of Directors. The Treasurer shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

Section 4.13 Salaries. The officers of the Master Association shall not be entitled to any salaries or other compensation except for expenses incurred on behalf of the Master Association which shall be reimbursed.

ARTICLE V

FISCAL MATTERS AND BOOKS AND RECORDS

Section 5.01 Fidelity Bonds. The Board of Directors may require that any contractor or employee of the Master Association handling or responsible for Master Association funds furnish an adequate fidelity bond. The premium for any such bond shall be paid by the Master Association and shall constitute a Common Expense.

Section 5.02 Books and Records Kept by Master Association. The Master Association shall keep accurate financial records, including itemized records of all receipts and disbursements,

shall keep minutes of the proceeds of all meetings of the Members and of the Board of Directors and committees having any of the authority of the Board of Directors, and shall keep such other books and records as may be required by law or necessary to reflect accurately the affairs and activities of the Master Association. The Master Association shall keep at the office of the Master Association a record giving the names and addresses of the Directors and all Members of the Master Association, which shall be furnished by each Owner pursuant to Section 5.11 of these Bylaws.

Section 5.03 Inspections. The books, records and papers of the Master Association shall at all times during reasonable business hours be subject to inspection by any Member or his or her agent or attorney for any proper purpose upon not less than 72 hours prior written notice to the Master Association, which notice shall specify which books, records or papers of the Master Association such Member desires to inspect or review. True and correct copies of the Articles of Incorporation, these Bylaws, the Master Declaration and all rules and regulations of the Master Association with all amendments thereto, shall be maintained at the principal registered offices of the Master Association and copies thereof shall be furnished to any Member on request upon payment by such Member of a reasonable charge therefor.

Section 5.04 Contracts. The Board of Directors may authorize any officer or officers, or agent or agents of the Master Association, in addition to the officers so authorized by the Master Declaration and these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, or on behalf of the Master Association, and such authority may be general or confined to specific instances.

Section 5.05 Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Master Association, shall be signed by such officer or officers or agents of the Master Association, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer of the Master Association.

Section 5.06 Deposits. All funds of the Master Association shall be deposited from time to time to the credit of the Master Association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 5.07 Gifts. The Board of Directors may accept and give, on behalf of the Master Association, any contribution, gift, bequest or devise for the general purposes, or for any special purpose, of the Master Association.

Section 5.08 Fiscal Year. The fiscal year of the Master Association shall be the calendar year.

Section 5.09 Annual Budget. The Board of Directors shall determine and approve annually annual budgets for the Common Expenses for the upcoming year in the manner provided in the Master Declaration. Within 30 days after the Board's adoption of any such proposed budgets, the

Board shall provide a copy of such proposed budgets to all Members and shall establish a date for a meeting of the Members to consider ratification of the budgets, which date shall be not less than 14 nor more than 30 days after delivery or mailing of the budgets to the Members. Each budget for Common Expenses shall be deemed ratified and approved unless, at such meeting of the Members, more than ninety percent (90%) in interest of all Members present, either in person or by proxy, reject the budget for Common Expenses. In the event any proposed budget is rejected, the periodic budget last ratified by the Owners (Members) shall be continued until such time as the Owners (Members) ratify the applicable subsequent budget proposed by the Board. Any budget adopted by the Board of Directors which is deemed to be ratified by the Owners as provided above shall be binding on all Owners and the Master Association shall be authorized to enter into any and all contracts necessary or required to implement such budget.

Section 5.10 Surplus Funds. Any surplus funds of the Master Association remaining after payment of or provision for Common Expenses and any reserves established in any applicable budgets shall be utilized as provided in Section 8.03(d) of the Master Declaration.

Section 5.11 Notices. Each Member shall be obligated to furnish to the Secretary of the Master Association in writing, the address, if other than the Unit of such Member, to which any notice to such Owner under the Master Declaration or these Bylaws is to be given and, if no address other than such Unit shall have been designated in writing, then all such notices and demands shall be mailed or delivered to the Unit of such Owner. Any Member may, for the purposes of notices hereunder, specify in writing to the Master Association that all notices be submitted to such Member by facsimile transmission or through the Internet utilizing a specific electronic mailbox for that particular Member. All notices required or permitted to be given by the Master Association to any Member under the Master Declaration, these Bylaws or under any other documents or agreements shall be deemed to have been sufficiently given or served upon any Member when either (a) deposited into the United States mail for first-class delivery with postage prepaid and addressed to the last address furnished by such Member to the Master Association (or if no address has been furnished, then to the Unit of such Owner), in which case notice shall be deemed given upon deposit of the same in the United States mail, (b) delivered to the Unit owned by such Member, in which event notice shall be deemed given upon delivery of such notice to the mailbox or when attached to the front door of such Unit, (c) sent by facsimile transmission to a facsimile number provided in writing by such Member to the Master Association, which notice shall be deemed to have been given upon transmission of such facsimile notice or (d) sent by Internet to an electronic mailbox address provided in writing by such Member to the Master Association, which notice shall be deemed to have been given upon transmission of such electronic mail by the Master Association.

ARTICLE VI

INSURANCE

Section 6.01 Types of Coverage. The Master Association shall maintain in effect at all times as a Common Expense the types of insurance coverage required by the Master Declaration, any workmen's compensation or other insurance required by law and such other insurance as the Board of

Directors may from time to time deem appropriate. The Board of Directors shall review the amount and terms of such insurance annually.

Section 6.02 Indemnification Insurance The Master Association shall have the power and authority to purchase and maintain insurance on behalf of any Person who is or was a Director, officer, employee or agent of the Master Association or is or was serving at the request of the Master Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Master Association would have the power to indemnify him against such liability under applicable law.

ARTICLE VII

NOTICE, HEARINGS AND APPEALS

Section 7.01 Right to Notice and Hearing Whenever the Master Declaration or Bylaws require that any action by the Board be taken only after written notice of the alleged violation (or the possible levy of an Individual Assessment) as well as the opportunity for such Owner to appear before the Board and be heard, the following procedure shall be observed:

(a) **Notice**. The Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a hearing is requested within 10 days of the notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided that the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) **Hearing**. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Person who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

Section 7.02 Appeals. Any Person having a right to written notice of the alleged violation (or the possible levy of an Individual Assessment) as well as the opportunity for such Owner to appear before the Board and be heard shall have the right to appeal to the Board of Directors from a decision of persons other than the Board by filing a written notice of appeal with the Board within 10 days after being notified of the decision. The Board of Directors shall conduct a hearing within 30

days, giving the same notice and observing the same procedures as were required for the original meeting.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.01 Waiver of Notice. Whenever any notice is required to be given under any provision of law, the Master Declaration, the Articles of Incorporation 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members, the Board of Directors or members of any committees established by the Board of Directors need be specified in any written waiver of notice unless otherwise required by these Bylaws. Attendance of a Director at a meeting of the Board of Directors shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8.02 Incorporation by Reference. All of the terms, provisions, definitions, covenants and conditions set forth in the Master Declaration are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Bylaws and in the Master Declaration, then the provisions of the Master Declaration shall at all times control.

Section 8.03 Amendments. These Bylaws may be amended by either (a) the vote of a majority in interest of the Owners or (b) the vote of a majority of the Directors; provided, however, that until the expiration of the Declarant Control Period, any provision which exists for the protection of Declarant or otherwise confers a right upon Declarant may not be amended without the written consent of Declarant. In the event of a proposed amendment by the Members, notice of any meeting at which such an amendment will be considered shall state that fact and the subject matter of the proposed amendment. Any amendments to these Bylaws adopted as provided above or any amendments to the Master Declaration adopted by the Members (Owners) in accordance with the terms and provisions of the Master Declaration, may be evidenced by a written certificate signed by either the President or a Vice President of the Master Association, which certificate shall certify the number of votes cast for any such amendment, the number of votes actually voted (whether for or against) such proposed amendment, whether such vote was undertaken at an annual or special meeting or pursuant to a ballot vote and shall be recorded in the Probate Office.

Section 8.04 Seal. The Board of Directors may, but shall not be obligated to, provide a corporate seal which shall be circular in form and have inscribed thereon the name of the Master Association, the state of incorporation and such other words as the Board of Directors may prescribe; provided, however, that the use of the seal of the Master Association on any contract or agreement shall not be required to evidence the validity, authenticity or approval of such contract or agreement.

EXHIBIT G

SCHEDULE OF PERMITTED EXCEPTIONS

- (a) Real estate ad valorem taxes for the current year and all subsequent years thereafter.
- (b) Any prior reservation or conveyance, together with release of damages, of minerals of every kind and character, including, but not limited to, oil, gas, coal, sand and gravel in, on or under any of the Condominium.
- (c) Claims or rights under leases, statutory liens, contract liens or easements not yet filed for record.
- (d) Rights or claims of parties in possession, if any.
- (e) Any state of facts, overlaps, encroachments, overlaps, boundary line disputes, variations in area or measurements, violations of restrictive covenants, and any other matters which would be disclosed on accurate survey and inspection of the Condominium and each Unit.
- (f) Taxes or special assessments which are not shown as existing liens by public records.
- (g) Rights of eminent domain and similar governmental rights.
- (h) Easements or other uses of the Condominium not visible from the surface or easements or claims of easements not shown by public records.
- (i) Waiver, release and restrictions, if any, set forth in deed to Unit.
- (j) All easements, restrictions, rights-of-way, reservations, building set-back lines and other matters of record, including, without limitation, the Master Declaration.

EXHIBIT H

PLANS

See Attached.

COMMENCEMENT
CORNERS OF
TOWNSHIP 6
RANGE 2 EAST,
COUNTY, ALABAMA

Certification

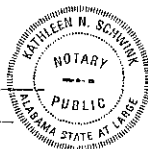
I, the undersigned, Frank A. Comensky, a Registered Professional Engineer in the State of Alabama, Registration No. 9081740, hereby certify that, to the best of my knowledge and belief, the survey attached hereto and made a part of the Declaration of Condominium of The Colony at The Grand Master Condominium shows the layout, location, and dimensions of common elements forming a part of the Condominium as of the date hereof. I further certify that the survey contains all of the information required by §35-8A-209, Items (b)12, Code of Alabama (1975).

Dated as of 20th day of SEPTEMBER, 2006.

Frank A. Comensky
Printed Name: Frank A. Comensky
Registered: Alabama
Registration No. 9081740

Subscribed and Sworn before me on this 20th day of September, 2006.

Kathleen N. Schuurk
Notary Public
My Commission Expires: 1/19/2009



A portion of the Condominium is located within a special flood hazard area as determined by the Federal Emergency Management Agency (FEMA) on Flood Insurance Rate Map (FIRM) Panel No. 01003C0631 K dated June 17, 2002.

David K. Hains
Reg. No. 14665

GENERAL SURVEYORS NOTES:

SOURCES OF INFORMATION USED TO FACILITATE THIS PLAN WERE PREVIOUS SURVEYS BY THIS FIRM, SURVEYS BY OTHER FIRMS AND INFORMATION FURNISHED BY CLIENT. NO TITLE SEARCH, TITLE OPINION OR ABSTRACT WAS FORMED BY THIS FIRM. THERE MAY BE DEEDS OF RECORD, UNRECORDED EASEMENTS, RIGHT-OF-WAYS, OR OTHER INSTRUMENTS OF RECORD WHICH COULD AFFECT THE BOUNDARIES OF THIS PROPERTY THAT WERE NOT DISCOVERED AT TIME OF SURVEY.

I HAVE CONSULTED THE FEDERAL INSURANCE ADMINISTRATION MAP, FLOOD INSURANCE PANEL NO. 01003C 0631 K, REVISED JUNE 17, 2002, AND HAVE DETERMINED THAT THE DESCRIBED PROPERTY IS LOCATED IN ZONE "X" (SHADED), AREAS DETERMINED TO BE OUTSIDE THE 500-YEAR FLOOD ZONE.

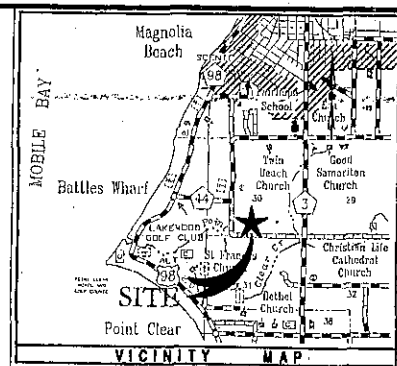
FIELD WORK FOR THIS SURVEY WAS PERFORMED MAY 9, 2006.

ANY FLOOD ZONES GIVEN OR SHOWN ON THE FACE OF THIS DRAWING ARE BASED ON THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE MAPS (SCALED ONLY).

THERE ARE NO HORIZONTAL BOUNDARIES FOR THE UNITS.

VERTICAL UNIT BOUNDARIES FOR EACH UNIT ARE AS SHOWN ON THE PLAN.

ALL OF THE CONDOMINIUM, INCLUDING ALL UNITS OWNED BY DECLARANT, IS SUBJECT TO THE SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS RESERVED BY DECLARANT IN THE DECLARATION ON CONDOMINIUM.



(NOT TO SCALE)

DESCRIPTION OF UNIT 2:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W, 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTWARDLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 239.25 FEET TO A POINT; THENCE RUN N-82°50'58"-W, 339.67 FEET TO A POINT; THENCE RUN N-06°06'48"-E, 375.00 FEET TO A POINT; THENCE RUN S-85°32'18"-E, 341.99 FEET TO THE POINT OF BEGINNING; CONTAINING 3.51± ACRES, MORE OR LESS.

DESCRIPTION OF COMMON ELEMENT:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W, 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTWARDLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 930.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 288.27 FEET, AN ARC DISTANCE OF 289.44 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 396.93 FEET TO A POINT; THENCE RUN SOUTHWESTWARDLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 370.00 FEET; A DELTA ANGLE OF 22°37'12", A CHORD OF WHICH BEARS S-24°57'08"-W, 145.13 FEET, AN ARC DISTANCE OF 146.07 FEET TO A POINT; THENCE RUN S-53°51'28"-E, 0.88 FEET TO A POINT; THENCE RUN S-31°20'23"-E, 11.12 FEET TO A POINT; THENCE RUN S-22°11'06"-E, 329.87 FEET TO A POINT; THENCE RUN S-00°00'00"-E, 14.40 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN S-89°50'50"-W, ALONG THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 20.00 FEET; THENCE RUN N-00°00'00"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 10.43 FEET TO A POINT; THENCE RUN N-22°11'06"-W, 324.34 FEET TO A POINT; THENCE RUN N-50°28'51"-W, 60.00 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 313.00 FEET; A DELTA ANGLE OF 25°52'37", A CHORD OF WHICH BEARS N-26°34'51"-E, 138.82 FEET, AN ARC DISTANCE OF 140.01 FEET TO A POINT; THENCE RUN N-13°38'32"-E, 396.93 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS N-04°43'35"-E, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO THE POINT OF BEGINNING; CONTAINING 1.30± ACRES MORE OR LESS.

I HEREBY STATE THAT ALL PARTS OF THIS SURVEY AND DRAWING HAVE BEEN COMPLETED IN ACCORDANCE WITH THE CURRENT REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN THE STATE OF ALABAMA TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Johnny E. Holley
JOHNNY E. HOLLEY, P.L.S.
ALABAMA LICENSE NUMBER 23660

9-19-06
DATE

& RAUCH, LLC

SURVEYORS
AND ENGINEERS

TEL (251) 626-2626
FAX (251) 626-6934
daphne@hmrengineers.com

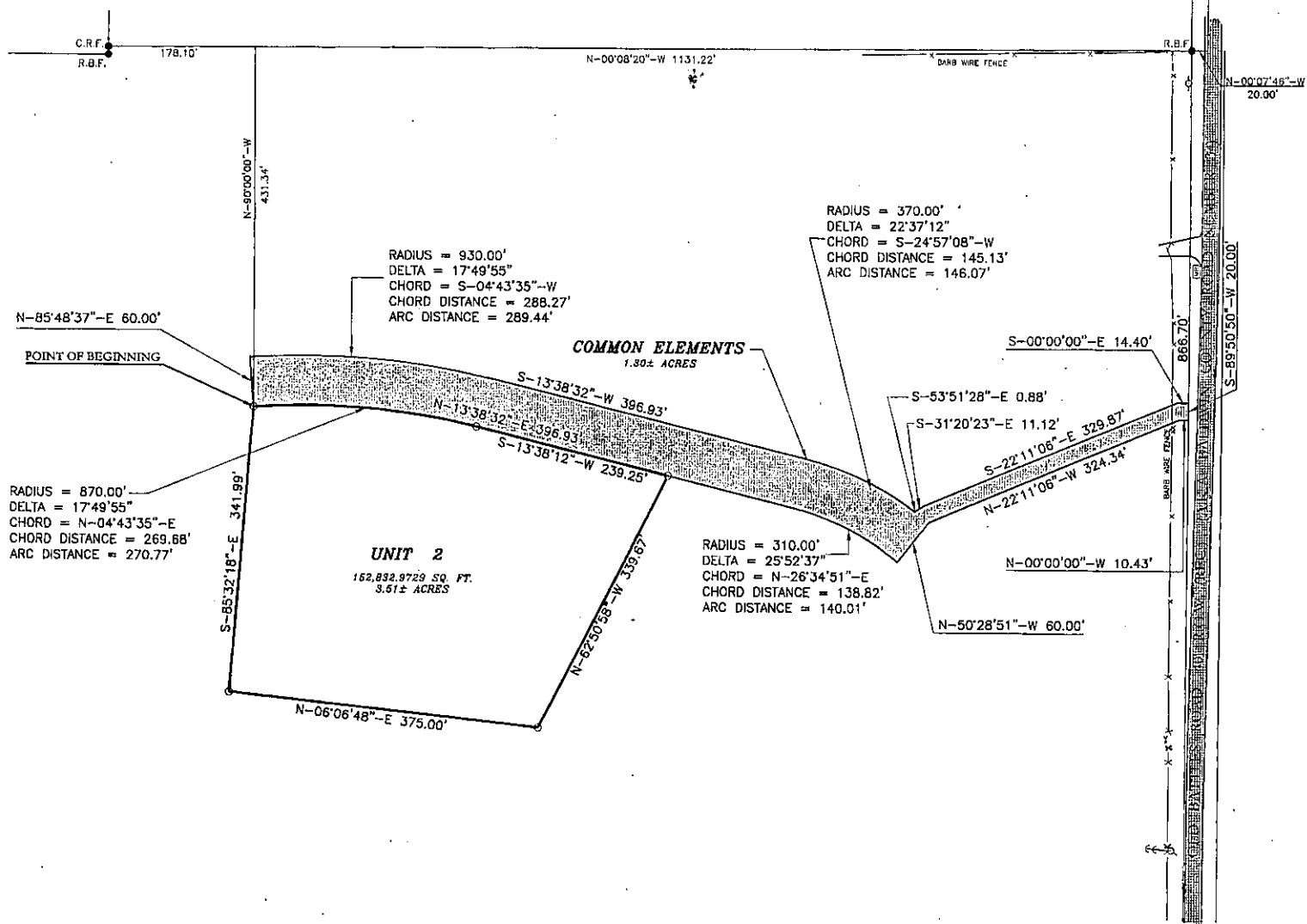
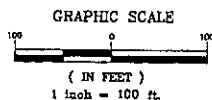


COLONY AT GRAND
W054-2331-15.01

THE COLONY AT THE GRAND
MASTER CONDOMINIUM

WALTER SCHOEL ENGINEERING COMPANY

SCALE	DATE	DRAWN BY	CHECKED BY	SHEET
1" = 100'	AUGUST 15, 2006	S.G.B.	J.E.H.	1 OF 1



LEGEND

- | | | | |
|----------|-------------------------|-------|--------------------------|
| ● OTIF | OPEN TOP IRON FOUND | ← | GUY WIRE |
| ● CTIF | CRIMP TOP IRON FOUND | [E] | ELECTRIC METER BOX |
| ● CRF | CAPPED REBAR FOUND | ☆ | LIGHT |
| ● RBF | REBAR FOUND | ⊙ | ELECTRIC CONDUIT |
| ○ CRS | CAPPED REBAR SET | ⊠ | AIR CONDITIONER |
| ■ CMF | CONCRETE MONUMENT FOUND | ⊞ | MAIL BOX |
| □ CMS | CONCRETE MONUMENT SET | ○ | BOLLARD |
| ⊕ PP | POWER POLE | ⊞ | TELEPHONE PEDESTAL |
| — R.O.W. | RIGHT-OF-WAY | ⊙ ICV | IRRIGATION CONTROL VALVE |
| — | PROPERTY LINE | | |

NO.	REVISION	DATE	ENGR.



HUTCHINSON, MOORE
2039 MAIN STREET
DAPHNE, ALABAMA
36526
ENGINEERS
LAND F

EXHIBIT I

UNIT BOUNDARIES

1. **Unit Boundaries.** The Unit boundaries for all Units are defined by the following upper and lower boundaries and perimetrical boundaries:

(a) **Upper and Lower Horizontal Boundaries for all Units.** There are no upper or lower horizontal boundaries of the Units.

(b) **Perimetrical Boundaries for Units.** The perimetrical boundaries of each Unit are shown on the Plans and consist of all real property lying within the boundaries of each Unit, as shown on the Plans.

2. **General.** Each Unit includes any airspace lying within the perimetrical boundaries of the Unit. Without limiting the generality of the foregoing or, as appropriate, in addition, each Unit **shall include** the following (collectively, the "Private Elements"):

(a) All land lying within the perimetrical boundaries of each Unit and all improvements to such land, including, without limitation, parking areas, landscaping, walkways, sidewalks and all other improvements of any nature;

(b) All Buildings and other improvements of any nature constructed or situated within or upon any Unit;

(c) All Utility Lines situated within the perimetrical boundaries of any Unit which serve only that specific Unit; and

(d) All personal property, fixtures, equipment, machinery and other appurtenances of any kind or character situated on or within the perimetrical boundaries of any Unit.

CONSENT OF MORTGAGEE

THIS CONSENT OF MORTGAGEE is made and entered into as of the ^{19th} day of September, 2006 by **THE TEACHERS' RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama established as a public corporation, and **THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA** an instrumentality of the State of Alabama established as a public corporation (collectively, "Mortgagee").

RECITALS:

Mortgagee is the holder of that certain Amended and Restated Future Advance Mortgage dated as of December 12, 2005 (the "Mortgage") executed by Point Clear Partners, LLC, a Delaware limited liability company ("Mortgagor"), recorded as Instrument Number 941988 in the Office of the Judge of Probate of Baldwin County, Alabama. The Mortgage encumbers all of the Property, as defined and described in the Declaration (as defined below).

Mortgagee desires to consent to the execution and delivery by Mortgagor of the Declaration of Condominium of The Colony at The Grand Master Condominium dated as of September 19, 2006 (the "Declaration") and to also agree that, following the foreclosure of the Mortgage, the rights and interests of all of the parties to the Declaration shall not be affected thereby. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagee does hereby covenant and agree as follows:

1. Mortgagee does hereby consent to the execution of the Declaration.
2. Mortgagee does hereby agree that, upon and after a foreclosure of the Mortgage, the granting of any deed in lieu of foreclosure or the taking of any other action by Mortgagee under the Mortgage which results in Mortgagee acquiring title to or any interest in the Property (collectively, a "Foreclosure Action"), then (a) the Declaration and all of the rights and privileges under the Declaration shall not be affected or disturbed by virtue of such Foreclosure Action, but shall continue in full force and effect, (b) each and every party to the Declaration and their respective successors and assigns shall continue to have the right to enjoy all of the rights and privileges set forth in the Declaration without any interference by any person claiming by, through or under Mortgagee, (c) Mortgagee or any purchaser at foreclosure, as applicable, shall succeed to the interests of Mortgagor under the Declaration and shall be bound by all of the terms and provisions of the Declaration; provided, however, that in no event shall Mortgagee (or any purchaser at foreclosure) be bound by any amendments or modifications to the Declaration not consented to in writing by Mortgagee and (d) Mortgagee (or any purchaser at foreclosure) shall execute any documents or instruments reasonably requested by any of the parties to the Declaration and their respective successors and assigns to confirm that all of the terms and provisions of the Declaration shall continue in full force and effect following any such Foreclosure Action.

3. This Consent of Mortgagee also constitutes written notice that Mortgagee is and shall be deemed an Eligible Mortgage Holder, as defined in the Declaration, and that all notices required or permitted to be given to Mortgagee under the Declaration be sent to Mortgagee at the following address:

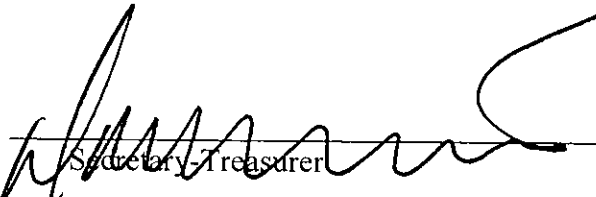
The Teachers' Retirement System of Alabama, as Agent for
The Teachers' Retirement System of Alabama and
The Employees' Retirement System of Alabama
c/o Dr. David G. Bronner, Secretary/Treasurer
Retirement Systems of Alabama
135 South Union Street
Montgomery, Alabama 36104-0001

with a copy to:

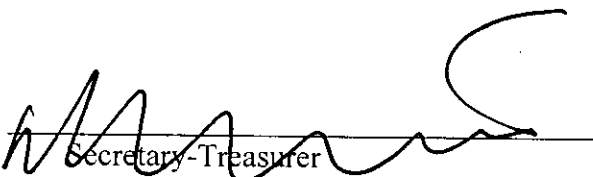
J. Kris Lowry, Esq.
Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2618

19th IN WITNESS WHEREOF, Mortgagee has executed this Consent of Mortgagee as of the day of September, 2006.

**THE TEACHERS' RETIREMENT SYSTEM
OF ALABAMA**

By: 
Its: Secretary-Treasurer

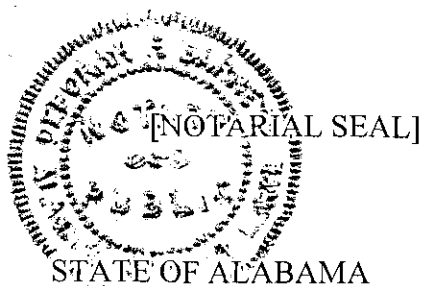
**THE EMPLOYEES' RETIREMENT SYSTEM
OF ALABAMA**

By: 
Its: Secretary-Treasurer

STATE OF ALABAMA)
:
COUNTY OF MONTGOMERY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE TEACHERS' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama established as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 18th day of September, 2006.

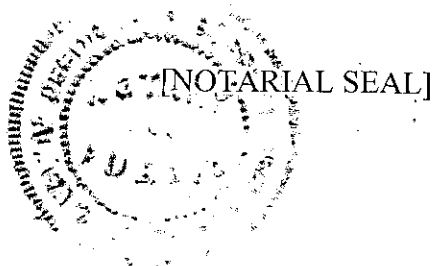


STATE OF ALABAMA)
:
COUNTY OF MONTGOMERY)

Deborah J. Bauett
Notary Public
My Commission Expires: 8/25/09

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as Secretary-Treasurer of THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama established as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 18th day of September, 2006.



Deborah J. Bauett
Notary Public
My Commission Expires: 8/25/09

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
Filed/cert. 6/11/2012 3:46 PM
TOTAL \$ 306.00
100 Pages

1343219



THE COLONY AT THE GRAND

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This instrument prepared by and
upon recording should be returned to:

Stephen R. Monk, Esq.
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203
(205) 521-8429

TABLE OF CONTENTS
OF
THE COLONY AT THE GRAND
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

ARTICLE I
DEFINITIONS

1.01	ACCESS ROADS	2
1.02	ADDITIONAL PROPERTY	2
1.03	AFFILIATE	2
1.04	ARC	2
1.05	ARTICLES OF INCORPORATION	2
1.06	ARCHITECTURAL STANDARDS	2
1.07	ASSESSMENT	3
1.08	ASSOCIATION	3
1.09	ASSOCIATION PROPERTY	3
1.10	BAYVIEW II	3
1.11	BAYVIEW II PROPERTY	3
1.12	BOARD	3
1.13	BYLAWS	3
1.14	COMMON AREAS	3
1.15	COMMON EXPENSES	4
1.16	DECLARATION	4
1.17	DEVELOPER	4
1.18	DWELLING	4
1.19	FINAL PLAT	4
1.20	GOVERNMENTAL AUTHORITY	4
1.21	GOVERNMENTAL REQUIREMENTS	4
1.22	IMPROVEMENT	4
1.23	LIVING SPACE	5
1.24	LOT	5
1.25	MORTGAGE	5
1.26	MORTGAGEE	5
1.27	MULTI-FAMILY BUILDING	5
1.28	MULTI-FAMILY DWELLING	5
1.29	OCCUPANT	5
1.30	OWNER	5
1.31	PERSON	6
1.32	PROBATE OFFICE	6
1.33	PROPERTY	6
1.34	RULES AND REGULATIONS	6
1.35	SINGLE-FAMILY DWELLING	6
1.36	SUB-ASSOCIATION	6
1.37	SUB-DECLARATION	6
1.38	TURNOVER DATE	6

ARTICLE II
PROPERTY SUBJECT TO THE DECLARATION

2.01	GENERAL DECLARATION	7
2.02	ADDITIONAL PROPERTY	7
2.03	RIGHT TO MODIFY RESTRICTIONS WITH RESPECT TO LOTS OWNED BY DEVELOPER	8

2.04	MUTUALITY OF BENEFIT AND OBLIGATION	8
2.05	DEVELOPMENT OF PROPERTY	8
2.06	SUBDIVISION	8
2.07	REMOVAL OF PROPERTY FROM DECLARATION	8

ARTICLE III

EASEMENTS

3.01	GRANT OF NON-EXCLUSIVE EASEMENTS TO COMMON AREAS	9
3.02	RESERVATION OF GENERAL ACCESS AND MAINTENANCE EASEMENT	9
3.03	RESERVATION OF EASEMENTS WITH RESPECT TO COMMON AREAS	9
3.04	RESERVATION OF EASEMENT FOR UTILITIES AND TELECOMMUNICATION SERVICES	10
3.05	RESERVATION OF EASEMENTS FOR WALKS AND TRAILS	11
3.06	GRANT OF EASEMENTS TO GOVERNMENTAL AUTHORITIES AND UTILITY PROVIDERS	11
3.07	ESTABLISHMENT OF CONTROLLED ACCESS EASEMENTS	11

ARTICLE IV

ASSOCIATION

4.01	MEMBERSHIP	13
4.02	BOARD	14
4.03	VOTING RIGHTS	14
4.04	DUTIES AND POWERS OF ASSOCIATION	15
4.05	MEETINGS OF MEMBERS OF ASSOCIATION	16
4.06	INDEMNIFICATION	16
4.07	TURNOVER	16

ARTICLE V

ARCHITECTURAL REVIEW AND ARCHITECTURAL STANDARDS

5.01	COMMITTEE COMPOSITION	17
5.02	APPOINTMENT AND REMOVAL OF ARC MEMBERS	17
5.03	PROCEDURE AND MEETINGS	17
5.04	ARCHITECTURAL STANDARDS	18
5.05	APPROVAL OF PLANS AND SPECIFICATIONS	18
5.06	LANDSCAPING APPROVAL	21
5.07	CONSTRUCTION WITHOUT APPROVAL	21
5.08	INSPECTION	21
5.09	SUBSURFACE CONDITIONS	21
5.10	LIMITATION OF LIABILITY	21
5.11	COMMENCEMENT AND COMPLETION OF CONSTRUCTION	22
5.12	ENFORCEMENT AND REMEDIES	22
5.13	COMPLIANCE CERTIFICATION	23

ARTICLE VI

USE AND PROPERTY RESTRICTIONS

6.01	USE RESTRICTIONS	23
6.02	PLAN APPROVAL	23
6.03	UNDERGROUND UTILITIES	23
6.04	BUILDING SETBACKS	24
6.05	APPLICATION OF ARCHITECTURAL STANDARDS	24
6.06	HEIGHT LIMITATIONS	24
6.07	MINIMUM LIVING SPACE	24
6.08	SOIL EROSION AND DRAINAGE	24
6.09	ABOVE OR BELOW GROUND TANKS AND WELLS	25
6.10	TEMPORARY STRUCTURES	25
6.11	CONSTRUCTION OF IMPROVEMENTS	25

6.12	SUBDIVISION	26
6.13	RULES AND REGULATIONS	26
6.14	COMPLIANCE WITH GOVERNMENTAL REGULATIONS	26
6.15	VARIANCES	27
6.16	ENFORCEMENT AND REMEDIES	27

ARTICLE VII

MAINTENANCE RESPONSIBILITIES

7.01	RESPONSIBILITIES OF OWNERS.....	27
7.02	RESPONSIBILITIES OF ASSOCIATION.....	28

ARTICLE VIII

ASSESSMENTS

8.01	ASSESSMENTS AND CREATION OF LIEN	29
8.02	UNIFORM RATE OF ASSESSMENTS	29
8.03	COMPUTATION OF ANNUAL ASSESSMENTS	30
8.04	SPECIAL ASSESSMENTS	31
8.05	INDIVIDUAL ASSESSMENTS.....	32
8.06	DATE OF COMMENCEMENT OF ASSESSMENTS	32
8.07	EFFECT OF NON-PAYMENT; REMEDIES OF THE ASSOCIATION	32
8.08	SUBORDINATION OF LIEN	34
8.09	CERTIFICATES	35
8.10	ASSESSMENTS WITH REGARD TO MULTI-FAMILY DWELLINGS	35
8.11	TRANSFER FEES.....	36
8.12	EXEMPTIONS FROM ASSESSMENTS	36

ARTICLE IX

CASUALTY, CONDEMNATION AND INSURANCE

9.01	DAMAGE OR DESTRUCTION TO COMMON AREAS	37
9.02	DAMAGE OR DESTRUCTION TO LOTS OR DWELLINGS.....	37
9.03	CONDEMNATION OF COMMON AREAS.....	37
9.04	CONDEMNATION OF LOTS OR DWELLINGS.....	38
9.05	INSURANCE.....	39

ARTICLE X

TERM AND AMENDMENTS

10.01	TERM.....	39
10.02	AMENDMENTS PRIOR TO TURNOVER DATE	39
10.03	AMENDMENTS AFTER TURNOVER DATE.....	40
10.04	RESTRICTIONS ON AMENDMENT.....	40

ARTICLE XI

DENIAL OF USE PRIVILEGES AND REPURCHASE OPTION

11.01	AUTHORITY AND ENFORCEMENT.....	40
11.02	PROCEDURE	40
11.03	REPURCHASE OPTION	41
11.04	NON-EXCLUSIVE REMEDIES	43

ARTICLE XII

MISCELLANEOUS PROVISIONS

12.01	CONTROL BY DEVELOPER.....	44
12.02	LEGAL EXPENSES	44

12.03	SEVERABILITY	44
12.04	CAPTIONS AND HEADINGS.....	44
12.05	PRONOUNS AND PLURALS.....	44
12.06	BINDING EFFECT	44
12.07	CONFLICT OR AMBIGUITY.....	44
12.08	NO REVERTER	45
12.09	INTERPRETATION.....	45
12.10	RIGHTS OF THIRD PARTIES.....	45
12.11	NO TRESPASS	45
12.12	NO PARTITION	45
12.13	STANDARDS FOR REVIEW	45
12.14	ORAL STATEMENTS	45
12.15	NOTICES.....	45
12.16	ASSIGNMENT	46
12.17	FURTHER ASSURANCES	46
12.18	NO WAIVER	46
12.19	PERPETUITIES	47

EXHIBITS:

EXHIBIT A LEGAL DESCRIPTION OF PROPERTY

EXHIBIT B RULES AND REGULATIONS

**THE COLONY AT THE GRAND
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS THE COLONY AT THE GRAND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made as of the 6th day of June, 2012 by and among POINT CLEAR PARTNERS, LLC, a Delaware limited liability company, BAYVIEW II DEVELOPER, LLC, an Alabama limited liability company, and THE COLONY AT THE GRAND OWNERS' ASSOCIATION, INC., an Alabama nonprofit corporation.

RECITALS:

Bayview II Developer, LLC, an Alabama limited liability company ("Bayview II"), is the owner of that certain real property (the "Bayview II Property") described as "Parcel 1" in Exhibit A attached hereto and incorporated herein by reference.

Certain owners of condominium units in the Bayview II Condominium (which is situated on the Bayview II Property) have heretofore consented to the adoption of this Declaration, as hereinafter defined, and whose written consents are attached hereto and incorporated herein by reference. Furthermore, pursuant to Second Amendment to Declaration of Condominium of Bayview II Condominium dated June 6, 2012 and recorded as Instrument No. 1343212, Pages 1 through 8 in the Probate Office, as hereinafter defined, the owners of the condominium units in the Bayview II Condominium have amended the Declaration of Condominium of Bayview Condominium dated May 15, 2008 and recorded as Instrument No. 1116935, Pages 1 through 142 in the Probate Office, in order to agree that all of the condominium units in the Bayview II Condominium are subject to the terms and provisions of this Declaration.

The Association, as hereinafter defined, is the owner of that certain real property (the "Association Property") described as "Parcel 2" in Exhibit A attached hereto.

Bayview II and the Association desire that the Property, as hereinafter defined, be owned, developed, improved, leased, sold, subject to certain easements, covenants, conditions, restrictions, requirements and obligations in order to protect the value and desirability of the Property and to have a flexible and reasonable method for the development, administration and maintenance of the Property.

Developer, as hereinafter defined, desires that any Additional Property, as hereinafter defined, submitted to the terms and provisions of this Declaration be owned, developed, improved, leased, sold, subject to certain easements, covenants, conditions, restrictions, requirements and obligations in order to protect the value and desirability of the Additional Property and to have a flexible and reasonable method for the development, administration and maintenance of the Additional Property.

NOW, THEREFORE, Developer, Bayview II and the Association do hereby declare that all of that certain real property situated in the City of Fairhope, Baldwin County, Alabama which is more particularly described in Exhibit A attached hereto and incorporated herein by reference shall be held,

developed, improved, transferred, sold, conveyed, leased, occupied and used subject to the following easements, covenants, conditions, restrictions, charges, liens and regulations, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Property described in Exhibit A attached hereto and any of the Additional Property, as hereinafter defined (but only to the extent that Developer submits any Additional Property to the terms and provisions of this Declaration, as hereinafter defined), and their respective heirs, executors, administrators, personal representatives, successors and assigns.

ARTICLE I

DEFINITIONS

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

1.01 ACCESS ROADS. The terms "Access Roads" shall mean and collectively refer to all private roadways and alleyways within the Property which are not located within the boundaries of any Lot or Dwelling and are not maintained by any Governmental Authority. The Association Property constitutes part of the Access Roads. All Access Roads, as long as the same are private roadways, constitute part of the Common Areas.

1.02 ADDITIONAL PROPERTY. The term "Additional Property" shall mean and refer to any real property lying adjacent to or in close proximity with the Property (but which does not presently comprise any part of the Property) which Developer may from time to time submit and add to the provisions of this Declaration pursuant to the provisions of Section 2.02 below. The Additional Property may also include Common Areas and Improvements.

1.03 AFFILIATE. The term "Affiliate" shall mean, as to any Person, any other Person which, directly or indirectly, is in common control of, is controlled by, or is under direct or indirect common control with, such Person, and, if such Person is an individual, any member of the immediate family of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person which is controlled by any such member or trust. As used herein, the term "control" (and like terms) when used with respect to any Person, means the direct or indirect beneficial ownership of more than five percent (5%) of the outstanding voting securities or voting equity of such Person or possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through ownership of voting securities or by contract or otherwise.

1.04 ARC. The term or letters "ARC" shall mean the architectural review committee for the Association to be appointed pursuant to Article V hereof with the rights and obligations conferred upon such architectural review committee pursuant to this Declaration.

1.05 ARTICLES OF INCORPORATION. The term "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association, as the same may be amended from time to time.

1.06 ARCHITECTURAL STANDARDS. The term "Architectural Standards" shall mean the standards prepared, issued and amended from time to time by the ARC pursuant to Article V below for the purpose of establishing architectural styles and standards for any Improvements to be constructed on any of the Lots and procedures for reviewing and approving all Dwellings, landscaping and any other Improvements which may be made to any Lot or Dwelling.

1.07 **ASSESSMENT**. The term "Assessment" shall mean, collectively, the Annual Assessments (as defined in Section 8.03(a) below), Special Assessments (as defined in Section 8.04 below), and Individual Assessments (as defined in Section 8.05 below).

1.08 **ASSOCIATION**. The term "Association" shall mean The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, and its successors and assigns.

1.09 **ASSOCIATION PROPERTY**. The term "Association Property" shall have the meaning set forth in the Recitals.

1.10 **BAYVIEW II**. The term "Bayview II" shall have the meaning set forth in the Recitals. Bayview II is an Owner.

1.11 **BAYVIEW II PROPERTY**. The term "Bayview II Property" shall have the meaning set forth in the Recitals.

1.12 **BOARD**. The term "Board" shall mean and refer to the Board of Directors of the Association and their duly elected successors as may be provided in the Articles of Incorporation and Bylaws.

1.13 **BYLAWS**. The term "Bylaws" shall mean and refer to the Bylaws of the Association, as the same may be amended from time to time.

1.14 **COMMON AREAS**. The term "Common Areas" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners. Subject to the remaining terms and provisions of this Section 1.14, the Common Areas shall also mean and include (regardless of whether legal title to the same has been conveyed to the Association) any of the following: (a) all Access Roads, (b) any and all guard buildings, access gates, access control devices and similar devices and equipment, if any, which are used to limit and restrict access to the Property (other than any such buildings, gates, devices or equipment located solely within the boundary lines of any Lot or Dwelling or which are maintained by any Person other than the Association), (c) all sidewalks, walkways, walking paths and trails, if any, situated within the Property (other than any such sidewalks, walkways, walking paths and trails which are located solely within the boundary lines of any Lot or Dwelling or which are maintained by any Person other than the Association), (d) all street lights, if any, walls, fences, entrances and entrance features, Improvements, landscaping and landscaped or other areas immediately adjacent to any public or private roadways, including all medians within any roadways, whether the same are located within the boundaries of the Property or on or within the rights-of-way of any public roadways which may provide ingress to and egress from any portion of the Property (other than any such areas located solely within the boundary lines of any Lot or Dwelling or which are maintained by any Governmental Authority), (e) all water features, storm drains and sewers, drainage and/or watershed protection or retention ponds, basins or other areas and facilities located within the Property (other than such areas located solely within the boundary lines of any Lot or Dwelling or which are maintained by any Governmental Authority), (f) all utility (including storm drainage) and irrigation lines, pipes, ducts, conduits, equipment, machinery and other apparatus and appurtenances which serve any portion of the Common Areas (which are not maintained by any public or private utility providers or Governmental Authorities), (g) any recreational facilities or amenities provided for the use and benefit of the Owners (other than such areas located solely within the boundary lines of any Lot or Dwelling), (h) any community gardens or gardening areas, stables, animal or poultry houses, maintenance buildings and other similar structures or Improvements (other than such areas located solely within the boundary lines of any Lot or Dwelling), and (i) and any other areas or Improvements on or within the Property which are designated by Developer as Common Areas from time to time. The designation of any land and/or

Improvements as Common Areas shall not mean or imply that the public at large acquires any easement of use or enjoyment or any other rights, licenses or benefits therein or to the use thereof. Notwithstanding anything provided in this Declaration to the contrary, nothing contained in this Section 1.14 shall be deemed or construed to obligate or require Developer or the Association to provide or otherwise make available any of the foregoing areas, Improvements, facilities or amenities as Common Areas.

1.15 **COMMON EXPENSES.** The term "Common Expenses" shall mean and refer to all expenditures made or incurred by or on behalf of the Association, including, without limitation, those expenses described in Section 8.03(c) below, together with all funds assessed for the creation or maintenance of reserves pursuant to the provisions of this Declaration.

1.16 **DECLARATION.** The term "Declaration" shall mean and refer to this The Colony at The Grand Declaration of Covenants, Conditions and Restrictions, together with all amendments thereto.

1.17 **DEVELOPER.** The term "Developer" shall mean Point Clear Partners, LLC, a Delaware limited liability company, and its successors and assigns.

1.18 **DWELLING.** The term "Dwelling", with an initial capital letter, shall mean and refer to any Lot which has been improved with one (1) or more residential housing units situated thereon which are sufficiently complete to reasonably permit habitation thereof. Each Single-Family Dwelling shall constitute one (1) Dwelling and each Multi-Family Dwelling shall constitute one (1) Dwelling. A Dwelling may be either a Single-Family Dwelling or a Multi-Family Dwelling; however, if a Single-Family Dwelling contains an attached or detached apartment, garage apartment or similar living structure, then such Single-Family Dwelling shall continue to be deemed to be a Single-Family Dwelling and not a Multi-Family Dwelling. Common Areas shall not constitute Dwellings.

1.19 **FINAL PLAT.** The term "Final Plat" shall mean and refer to any recorded Final Plat recorded in the Probate Office which reflects Lots thereon.

1.20 **GOVERNMENTAL AUTHORITY.** The term "Governmental Authority" shall mean and refer to any and all city, county, state and federal governmental or quasi-governmental agencies, bureaus, departments, divisions or regulatory authorities having jurisdiction over any portion of the Property or any Improvements thereto.

1.21 **GOVERNMENTAL REQUIREMENTS.** The term "Governmental Requirements" shall mean and refer to any and all laws, statutes, ordinances, rules, regulations or requirements of any Governmental Authority.

1.22 **IMPROVEMENT.** The term "Improvement", with an initial capital letter, shall mean and refer to any Dwelling and any other building, structure or device constructed, erected, installed or placed upon any Lot or Dwelling which in any way affects, alters or causes a change in the exterior appearance of any Lot or Dwelling; provided, however, that for purposes of this Declaration, interior alterations of, or interior improvements to, a Dwelling or any other building or structure situated on a Lot shall not constitute an Improvement. Improvements shall include, by way of illustration and not limitation, buildings, sheds, foundations, covered patios, underground utilities, roads, driveways, parking areas, service areas, walkways, paving, curbing, parking areas, swimming pools, tennis courts, garages, accessory buildings, treehouses, playhouses, swingsets, landscaping, fences, screening, walls, signs and any other artificial or man-made changes or alterations to the natural condition of any Lot or Dwelling and any fixtures, appurtenances, personal property or devices installed, erected, constructed, attached, placed or maintained on the exterior of any Dwelling or any other buildings situated on any Lot or Dwelling. "Improvements" shall also mean any exterior alterations or additions to any existing Dwelling

or other structure situated on a Lot and any grading, any excavation or fill, the volume of which exceeds eight (8) cubic yards.

1.23 **LIVING SPACE.** The term "Living Space" shall mean and refer to the enclosed and covered areas within a Dwelling which are heated and cooled by heating, ventilating and air conditioning equipment, exclusive of any of the following areas of a Dwelling which are not heated and cooled by heating, ventilating and air conditioning equipment: "bonus" rooms in garages or attics, garages, carports, porches, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, bulk storage areas, attics and basements.

1.24 **LOT.** The term "Lot" shall mean and refer to any unimproved portion of the Property upon which it is intended that a Dwelling be constructed thereon. Upon the recordation of any Final Plat for any portion of the Property, each lot indicated thereon (other than any lots designated thereon as Common Areas or which subsequently become Common Areas) shall be deemed a Lot for purposes of this Declaration. A parcel of land shall be deemed unimproved and thus considered to be a Lot, rather than a Dwelling, until the Improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon completion of construction of such Improvements, such Lot and the Improvements thereon shall collectively be considered to be a Dwelling for purposes of this Declaration. Common Areas shall not constitute Lots.

1.25 **MORTGAGE.** The term "Mortgage", with an initial capital letter, shall mean and refer to any mortgage, deed of trust or other security instrument encumbering a Lot or Dwelling or any interest therein and which has been duly and properly recorded in the Probate Office.

1.26 **MORTGAGEE.** The term "Mortgagee", with an initial capital letter, shall mean and refer to the holder of any Mortgage.

1.27 **MULTI-FAMILY BUILDING.** The term "Multi-Family Building" means any building or structure situated on one (1) Lot containing Multi-Family Dwellings.

1.28 **MULTI-FAMILY DWELLING.** The term "Multi-Family Dwelling" shall mean and refer to two (2) or more Dwellings situated on one (1) Lot which do not constitute Single-Family Dwellings. By way of example, Multi-Family Dwellings include apartments, condominiums and senior living, independent living, assisted living and other types of living facilities and accommodations found in senior communities to the extent the same are housed in one (1) or more buildings on one (1) Lot.

1.29 **OCCUPANT.** The term "Occupant" shall mean and include any family members, guests, tenants, agents, servants, employees and invitees of any Owner and their respective family members, guests, tenants, agents, servants, employees, invitees and any other person who occupies or uses any Lot or Dwelling within the Property. All actions or omissions of any Occupant is and shall be deemed the action or omission of the Owner of such Lot or Dwelling.

1.30 **OWNER.** The term "Owner", with an initial capital letter, shall mean and refer to the Person, including Developer, who is the record owner of fee simple title to any Lot or each Dwelling situated on a Lot, but shall not include (i) any Mortgagee unless and until such Mortgagee has foreclosed on its Mortgage and purchased such Lot or Dwelling at the foreclosure sale held with respect to the foreclosure of such Mortgage or (ii) any lessee, purchaser, contract purchaser or vendor who has an interest in any Lot or Dwelling solely by virtue of a lease, contract, installment contract or other agreement. To the extent any Lot or Dwelling is leased to a lessee pursuant to a lease, contract, installment contract or other agreement, then such lessee shall constitute and be deemed an Occupant and not the Owner of such Lot or Dwelling. Notwithstanding anything provided in this Declaration to the

contrary, in the event any Lot contains Multi-Family Dwellings and such Lot and Multi-Family Dwellings are subjected to a Sub-Declaration which also creates a Sub-Association for such Multi-Family Dwellings, then the voting rights of each Owner of a Multi-Family Dwelling subject to such Sub-Declaration shall be limited as provided in Sections 4.01 and 4.03 below.

1.31 **PERSON**. The term "Person" with an initial capital letter, shall mean and refer to any individual, corporation, association, partnership, limited liability company, joint venture, trust, estate or other entity or organization.

1.32 **PROBATE OFFICE**. The term "Probate Office" shall mean and refer to the Office of the Judge of Probate of Baldwin County, Alabama, and any successors thereto which serves as the official public registry for the public recording of real estate documents in Baldwin County, Alabama.

1.33 **PROPERTY**. The term "Property", with an initial capital letter, shall mean and refer to that certain real property situated in Baldwin County, Alabama which is more particularly described in **Exhibit A** attached hereto and incorporated herein by reference. The Property includes the Bayview II Property and the Association Property. The Property shall also include any Additional Property which is specifically made subject to this Declaration pursuant to and in accordance with the terms and provisions of Section 2.02 hereof, including all Lots, Dwellings and Common Areas within such Additional Property to the extent the same are added to this Declaration as provided in Section 2.02 below.

1.34 **RULES AND REGULATIONS**. The term "Rules and Regulations" shall mean and refer to The Colony at The Grand Rules and Regulations, as the same may be amended from time to time by the Board of Directors pursuant to the terms and provisions of Section 6.13 below. The initial Rules and Regulations are attached hereto as **Exhibit B** and are incorporated herein by reference.

1.35 **SINGLE-FAMILY DWELLING**. The term "Single-Family Dwelling" shall mean and refer to one (1), but not more than one (1), attached or detached single-family housing unit situated only on one (1) Lot; provided, however, that if such Lot also contains not more than one (1) attached or detached apartment, garage apartment or similar housing unit, then the same shall still constitute a Single-Family Dwelling and such attached or detached apartment, garage apartment or similar housing unit shall not be deemed a separate Single-Family Dwelling (or Dwellings). By way of example, Single-Family Dwellings include any single-family detached home situated on one (1) Lot as well as any attached townhome or rowhouse which is situated on its own separate Lot.

1.36 **SUB-ASSOCIATION**. The term "Sub-Association" means and refers to any property owners' association or condominium owners' association created or established as part of any Sub-Declaration.

1.37 **SUB-DECLARATION**. The term "Sub-Declaration" shall mean and refer to any additional restrictive covenants or any declaration of condominium established for any Multi-Family Dwellings situated on one (1) Lot which may be imposed on or otherwise encumber the Multi-Family Dwellings on such Lot. The terms and provisions of this Declaration are superior to, and shall always control in the event of any conflict or ambiguity between the terms and provisions of this Declaration and any Sub-Declaration.

1.38 **TURNOVER DATE**. The term "Turnover Date" shall mean the first to occur of the following: (a) the later of (i) ten (10) years from the date hereof or (ii) the date on which Developer and any Affiliates of Developer cease to own any portion of the Property or (b) the date on which Developer elects, in its sole and absolute discretion, to relinquish (i) all rights to appoint and remove members of the

Board pursuant to Section 4.02 below and (ii) all voting rights in the Association reserved to Developer pursuant to Section 4.03 below.

ARTICLE II

PROPERTY SUBJECT TO THE DECLARATION

2.01 **GENERAL DECLARATION.** Developer, Bayview II and the Association do hereby declare that the Property is and shall be subject to the easements, covenants, conditions, restrictions, charges, liens and regulations of this Declaration and the Property, any part thereof and each Lot, Dwelling and Common Area thereof shall be held, owned, sold, transferred, conveyed, hypothecated, encumbered, leased, occupied, built upon and otherwise used, improved and maintained subject to the terms of this Declaration, which easements, covenants, conditions, restrictions, charges, liens and regulations shall run with the title to the Property and shall be binding upon and inure to the benefit of Developer and all Owners and Occupants of the Property and any Lot, Dwelling and Common Areas thereof. Furthermore, this Declaration shall apply only to the Property (and any Additional Property added to the terms and provisions hereof by Developer).

2.02 **ADDITIONAL PROPERTY.** Subject to the remaining terms and conditions of this Section 2.02, Developer shall have the right, in its sole and absolute discretion, at any time and from time to time prior to the occurrence of the Turnover Date, to add and submit any Additional Property to the provisions of this Declaration and, to the extent any of the Additional Property is specifically submitted to the terms and provisions of this Declaration by Developer, then any such Additional Property shall constitute part of the Property. Additional Property may be submitted to the provisions of this Declaration by an instrument executed by Developer in the manner required for the execution of deeds and recorded in the Probate Office, which instrument shall be deemed an amendment to this Declaration (which need not be consented to or approved by any Owner, Occupant or Mortgagee of any Lot or Dwelling) and shall (a) refer to this Declaration, (b) contain a statement that such Additional Property is conveyed or subject to the provisions of this Declaration or only specified portions thereof, (c) contain a legal description of such Additional Property and (d) set forth any such other or different covenants, conditions and restrictions which Developer, in its sole discretion, may specify to regulate and control the use, occupancy and improvement of such Additional Property. From and after the date on which an amendment to this Declaration is recorded in the Probate Office submitting any Additional Property to the terms and provisions of this Declaration, the voting rights and percentages of the Owners in the Association shall be changed so that each Lot or Dwelling is entitled to the voting percentage determined in accordance with the terms and provisions of Section 4.03 below. In no event shall Developer be obligated to submit any Additional Property to the provisions of this Declaration or to impose any of the covenants, conditions or restrictions set forth in this Declaration upon any real property owned by Developer situated adjacent to or in close proximity with the Property. Notwithstanding anything provided in this Declaration to the contrary, (i) the provisions of this Section 2.02 may not be abrogated, modified, rescinded, supplemented or amended, in whole or in part, without the prior written consent of Developer, (ii) the rights reserved by Developer to add Additional Property to this Declaration pursuant to this Section 2.02 shall not be deemed to inure to the benefit of any transferee or purchaser of the Property, the Additional Property or any portion thereof, unless Developer, in its sole discretion, consents to the transfer and conveyance to such transferee or purchaser the rights reserved herein by express reference to this Section 2.02 of this Declaration and (iii) if Developer elects to add Additional Property to this Declaration before the occurrence of the Turnover Date, then this Declaration may be amended solely by Developer in accordance with the provisions of this Section 2.02 without any requirement that the consent or approval of any Owner or Mortgagee be obtained.

2.03 RIGHT TO MODIFY RESTRICTIONS WITH RESPECT TO LOTS OWNED BY DEVELOPER.

With respect to any Lot or other portion of the Property owned by Developer, Developer may, by deed, contract or other instrument filed for record in the Probate Office, modify the provisions of this Declaration as the same apply to any such Lot or other portion of the Property owned by Developer.

2.04 MUTUALITY OF BENEFIT AND OBLIGATION. The provisions of this Declaration are made (a) for the mutual and reciprocal benefit of each Lot and Dwelling and are intended to create mutual, equitable servitudes upon and in favor of each Lot and Dwelling, (b) to create reciprocal rights and obligations between the respective Owners and all future and subsequent Owners of any Lot or Dwelling within the Property and (c) to create a privity of contract and estate between the Owners, their respective heirs, successors and assigns.

2.05 DEVELOPMENT OF PROPERTY. Developer shall have the right, but not the obligation, for so long as Developer owns any portion of the Property, to make improvements and changes to all Common Areas and to all Lots and Dwellings owned by Developer, including, without limitation, (a) installation and maintenance of any Improvements in or to the Common Areas, (b) changing the location of the boundaries of any Lots or Dwellings owned by Developer or the boundaries of any of the Common Areas, (c) changing the boundaries of any portion of the Property owned by Developer, (d) the installation and maintenance of any water, sanitary sewer, storm sewer and any other utility systems and facilities within any of the Common Areas and (e) converting and changing any Lots or any portions thereof owned by Developer into Common Areas, streets, roadways, paths, parks or other uses. The exercise by Developer of any of the rights set forth in this Section 2.05 may be exercised solely by Developer without any requirement that the consent or approval of any Owners or Mortgagees be obtained. Each Owner, by acceptance of a deed to any Lot or Dwelling, acknowledges and agrees that Developer or Affiliates thereof may either own or may in the future own real property situated adjacent to or in close proximity with the Property, which real property will not be subject to any of the terms and provisions of this Declaration.

2.06 SUBDIVISION. Developer reserves the right to record, modify, amend, revise and otherwise add to, at any time and from time to time, one or more Final Plats setting forth such information as Developer may deem necessary with regard to the Property, including, without limitation, the locations and dimensions of all Lots, Dwellings, Common Areas, public or private roads, utility systems, drainage systems, utility easements, drainage easements, access easements, set-back line restrictions, lakes, retention ponds and drainage basins. Any such Final Plats and any amendments thereto shall be binding on the portions of the Property indicated thereon as if such Final Plats were specifically incorporated into this Declaration. Notwithstanding anything provided to the contrary in this Declaration, the rights reserved by Developer pursuant to this Section 2.06 may be exercised by Developer without any requirement that the consent or approval of any Owners or Mortgagees be obtained (other than the Owner or Mortgagee of any Lot which is being subdivided or re-subdivided) and shall include, without limitation, the right to (a) divide and re-subdivide, combine, subdivide and re-subdivide any Lots, Dwellings, Common Areas and other portions of the Property owned by Developer, and (b) amend from time to time and at any time Exhibit A to this Declaration to reflect any such subdivision or re-subdivision of any portion of the Property.

2.07 REMOVAL OF PROPERTY FROM DECLARATION. Notwithstanding anything provided in this Declaration to the contrary, at any time on or prior to the occurrence of the Turnover Date, Developer reserves the right, in its sole and absolute discretion, without the consent or approval of any Owner (other than the Owner of that portion of the Property being removed from the Declaration), Occupant, Mortgagee or the Association, to amend this Declaration in order to remove and exclude any real property from the definition of the Property and the terms and provisions of this Declaration. The rights reserved by Developer pursuant to this Section 2.07 shall include, without limitation, the right to amend from time

to time and at any time Exhibit A to this Declaration to reflect the removal of any real property from the definition of Property, without being required to obtain the consent or approval of any Owner, Mortgagee or the Association.

ARTICLE III

EASEMENTS

3.01 **GRANT OF NON-EXCLUSIVE EASEMENTS TO COMMON AREAS.** Subject to the terms and provisions of Section 3.07 below, Developer and the Association do hereby grant to each other and to their respective successors and assigns and to each Owner and Occupant the non-exclusive right, privilege and easement of access to and the use and enjoyment of the Common Areas in common with Developer, the Association, their respective successors and assigns, and all other Owners, Occupants and other parties having any rights or interest therein. Subject to the terms and provisions of Section 3.07 below, the easement and rights granted pursuant to this Section 3.01 are and shall be permanent and perpetual, are non-exclusive, are appurtenant to and shall pass and run with title to each Lot and Dwelling.

3.02 **RESERVATION OF GENERAL ACCESS AND MAINTENANCE EASEMENT.** Developer does hereby establish and reserve for itself and its successors and assigns and Developer and Bayview II do hereby grant to the ARC, the Association and their respective agents, employees, representatives, invitees, successors and assigns, a permanent and perpetual non-exclusive easement appurtenant over, across, through and upon each Lot and Dwelling for the purpose of (a) providing ingress to and egress from each Lot and Dwelling for (i) inspecting each Lot and Dwelling and any Improvements thereon in order to determine compliance with the provisions of this Declaration and (ii) the performance of the respective duties of Developer, the ARC and the Association hereunder, including, without limitation, taking any action required or permitted to be taken by Developer, the ARC and the Association pursuant to any of the terms or provisions of this Declaration; provided, however, that upon completion and occupancy of any Dwelling, then, except in the event of emergencies, the foregoing easement shall be utilized only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or Occupant of such Dwelling directly affected thereby and (b) mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash so as to maintain reasonable standards of health, fire, safety and appearance within the Property; provided, however, that such easement shall not impose any duty or obligation upon Developer, the ARC or the Association to perform any of the foregoing actions.

3.03 **RESERVATION OF EASEMENTS WITH RESPECT TO COMMON AREAS.**

(a) The Association does hereby grant to Developer, its successors and assigns, and Developer does hereby establish and reserve, for itself, the ARC, the Association and their respective agents, employees, representatives, invitees, successors and assigns, a permanent and perpetual non-exclusive easement appurtenant, over, across, under, through and upon all of the Common Areas for the purpose of (i) constructing Dwellings and other Improvements in and to any Lots, Dwellings and Common Areas, (ii) installing, maintaining, repairing and replacing any other Improvements to the Property or to the Common Areas, including, without limitation, sidewalks, walkways, signage and traffic directional signs and (iii) doing all other things reasonably necessary and proper in connection therewith; provided, however, that in no event shall Developer, the ARC or the Association have any obligation to undertake any of the foregoing.

(b) The Association does hereby grant to Developer, its successors and assigns, and Developer does hereby establish and reserve for itself and its successors and assigns the permanent right to change, modify and realign the boundaries of any of the Common Areas. Developer hereby establishes and reserves for itself and its successors and assigns (i) a permanent and perpetual non-exclusive

easement to have access, ingress to and egress from and the right and privilege to use and enjoy all of the Common Areas and all Improvements thereon for such purposes as Developer deems appropriate, (ii) the right to grant to third parties rights to use and easements to the Common Areas and (iii) the right to grant to third parties, other real property and the owners of such real property rights to use any of the Common Areas. Developer further reserves the right, but shall not have any obligation, to convey by quitclaim deed to the Association at any time and from time to time any portion of the Property or any Improvements thereto to be utilized as Common Areas, as Developer, in its sole discretion, may determine.

3.04 RESERVATION OF EASEMENT FOR UTILITIES AND TELECOMMUNICATION SERVICES.

(a) Subject to the provisions of Section 3.04(b) below, Bayview II and the Association do hereby grant to Developer, its successors and assigns, and Developer does hereby establish and reserve for itself and the Association and their respective successors and assigns a permanent and perpetual non-exclusive easement appurtenant over, across, under, through and upon all portions of the Property, including all Common Areas and all Lots and Dwellings, which are reasonably necessary for the purpose of installing, erecting, replacing, relocating, maintaining and operating master television and/or cable systems, security and similar systems and all utilities necessary or convenient for the use of any portion of the Property or other real property, including, without limitation, publicly or privately owned and operated electrical, gas, telephone, water and sanitary sewer services, storm drains and sewers, drainage systems, retention ponds, lakes, basins and facilities, lines, pipes, conduits, equipment, machinery and other apparatus and appurtenances necessary or otherwise reasonably required in order to provide any utility service to any portion of the Property or any other real property. The easements established and reserved herein shall include the right to cut and remove trees, undergrowth and shrubbery, to grade, excavate or fill and to otherwise take all other action reasonably necessary to provide economical and safe installation, maintenance, repair, operation and replacement of all such utility services and the systems, equipment and machinery used to provide the same. Notwithstanding anything provided in this Section 3.04 to the contrary, (i) the utilization of any of the easements and rights established and reserved pursuant to this Section 3.04 shall not unreasonably interfere with the use or occupancy of any Dwelling situated on any Lot, (ii) Developer shall use good faith efforts to attempt to cause any utility company or other supplier or provider of any utility service which may utilize any of the easements and rights reserved and established pursuant to this Section 3.04 to take reasonable action to repair any damage caused by such utility company or other supplier or provider of such utility service during the exercise of any rights established and reserved herein and (iii) the establishment and reservation of easements pursuant to this Section 3.04 shall not create any obligation, responsibility or liability of Developer or the Association to undertake any of the actions allowed or permitted pursuant to the terms of this Section 3.04.

(b) In addition to the easements established and reserved by Developer for itself and the Association and their respective successors and assigns as provided in Section 3.04(a) above, Developer does further establish for the benefit of the Association and does hereby grant to the Association the sole and exclusive permanent and perpetual right to enter into any and all master agreements (collectively, a "Telecommunication Service Agreement") which would authorize one or more Persons (collectively, a "Telecommunications Provider") to exclusively provide telephone services (both local and long distance), cable or satellite television services (including pay-for-view, entertainment-on-demand and similar services), internet services and any other communications and multi-interactive, entertainment and related services (collectively, "Telecommunication Services") to all or any portions of the Property. Any and all Telecommunication Service Agreements entered into by the Association shall be binding on all Lots and Dwellings and the Owners and Occupants of all Lots and Dwellings within the Property. Furthermore, the Association shall have the right to cancel and terminate any Telecommunication Service Agreements which the Association may have entered into for the benefit

of any Lots and Dwellings. The provisions of this Section 3.04(b) shall apply to the Property and any Additional Property which may be added to this Declaration. If required by the Association or the Telecommunications Provider, the Owner of each Lot and Dwelling shall also enter into a separate agreement with such Telecommunications Provider pursuant to which such Owner will grant to such Telecommunications Provider easements for the installation of all lines, pipes, wiring, conduit, equipment and other apparatus necessary or required in order to provide Telecommunication Services to all Lots and Dwellings within the Property (which easements may include areas within the mechanic rooms of any Multi-Family Buildings). In the event any such separate agreements are entered into between the Owner of any Lot or Dwelling and such Telecommunications Provider, the terms and provisions of each Telecommunication Service Agreement entered into by the Association with such Telecommunications Provider shall at all times control. In no event shall any Owner or Occupant have the right to cancel, change, alter or otherwise amend the exclusive rights created by the Association in favor of any Telecommunications Provider under any Telecommunication Service Agreements entered into by the Association. To the extent the Telecommunications Provider agrees to pay to the Owner of any Multi-Family Building any compensation for providing Telecommunication Services to such Multi-Family Building (which compensation may partially reimburse such Owner for the costs incurred by such Owner in installing wiring, conduit and other apparatus which may be necessary to provide Telecommunication Services to any Multi-Family Dwellings within such Multi-Family Building), then such compensation shall be retained by the Owner of such Multi-Family Building and shall not be payable to the Association or any Owner or Occupant of any Multi-Family Dwelling situated in such Multi-Family Building. All actions authorized or permitted to be taken by the Association pursuant to the terms and provisions of this Section 3.04(b) shall be undertaken by the act of the Board of Directors of the Association and shall not require the consent or approval of any Owners, Occupants or Mortgagees.

3.05 RESERVATION OF EASEMENTS FOR WALKS AND TRAILS. Bayview II and the Association do hereby grant to Developer, its successors and assigns, and Developer does hereby establish and reserve for itself and the Association and their respective successors and assigns, a permanent and perpetual easement appurtenant over, across, through and upon a strip of land ten (10) feet in width lying parallel to and running along the common exterior boundary between each Lot or Dwelling and any public roadway which is directly adjacent to and abuts such Lot or Dwelling for the purpose of constructing, installing, maintaining, repairing, operating, replacing and the use of sidewalks, walkways, trails, bicycle and jogging paths and lanes, traffic directional signs and related improvements thereon; provided, however, that neither Developer nor the Association shall have any obligation to construct any of the foregoing improvements.

3.06 GRANT OF EASEMENTS TO GOVERNMENTAL AUTHORITIES AND UTILITY PROVIDERS. Subject to the provisions of Section 3.07 below, the Association and Developer do hereby grant to each branch, bureau, department and agency of the Governmental Authorities and all utility providers providing any utility services to the Property and their respective agents, employees and representatives, a permanent, perpetual and non-exclusive easement over, across, through and upon the Access Roads for the purposes of performing their respective duties and activities relating to law enforcement, fire protection, trash and refuse collection, building inspection services, mail and package delivery, medical and emergency services and any and all other official functions, duties or services to be performed by any of the Governmental Authorities and utility providers as shall be required or appropriate from time to time.

3.07 ESTABLISHMENT OF CONTROLLED ACCESS EASEMENTS.

(a) The Association and Bayview II, by execution of this Declaration, and each Owner, by acceptance of a deed or other instrument conveying any interest in any Lot or Dwelling to such Owner, for such Owner and such Owner's Occupants, (i) waives all rights for uncontrolled and unlimited

access, ingress to and egress from such Owner's Lot and acknowledges and agrees that access and ingress to and egress from the Property may be controlled, restricted and limited to exclude the general public therefrom, (ii) acknowledges and agrees that access, ingress to and egress from such Owner's Lot or Dwelling shall be limited to the Access Roads, (iii) acknowledges and agrees that Developer shall have the right (but not the obligation) to operate controlled access gates or devices on or within any of the Access Roads pursuant to the terms and provisions of Section 3.07(b) below and (iv) acknowledges and agrees that Developer and its successors and assigns shall have the right to dedicate all or any portions of the Access Roads as public roadways pursuant to the terms and provisions of Section 3.07(c) below.

(b) Developer does hereby establish and reserve for itself and its successors and assigns the right and privilege to construct, operate and maintain controlled access gates or devices on or within any of the Access Roads controlling, limiting and restricting vehicular and pedestrian access to and from any portion of the Property.

(c) Notwithstanding anything provided in this Declaration to the contrary, the Association does hereby grant to Developer and Developer does hereby establish and reserve the right, in the sole and absolute discretion of Developer, at any time and from time to time, to dedicate any of the Access Roads as public roadways or public rights-of-way to any Governmental Authority designated by Developer without requirement that the approval or consent of any Owner, Occupant, Mortgagee or any other Person be obtained. Developer does hereby reserve the right, in its sole and exclusive discretion, to execute any and all agreements, documents, instruments and Final Plats pursuant to which any of the Access Roads or any portion thereof are submitted for dedication as public roadways. The Association and Bayview II, by execution of this Declaration, and each Owner, by acceptance of any deed to a Lot or Dwelling, and each Mortgagee, by the acceptance of any Mortgage on any Lot or Dwelling, shall be deemed to, and each hereby does, irrevocably appoint Developer and its successors and assigns as such Person's respective agent and attorney-in-fact for the purpose of executing, signing, acknowledging, swearing to and recording any and all instruments, certificates, documents, agreements and Final Plats relating to the dedication any portions of the Access Roads to any Governmental Authority as public roadways or public rights-of-way for and in the name of any such Owner and Mortgagee, in their name, place and stead. The power and authority granted herein is hereby declared to be irrevocable and a power coupled with an interest which shall survive the death or dissolution of Bayview II, the Association, any Owner or Mortgagee and shall be binding on Bayview II, the Association, all Owners, Mortgagees, and their respective heirs, executors, administrators, personal representatives, successors and assigns. To the extent Developer transfers and assigns its rights in and to the Access Roads to the Association, then the Association shall have the same rights reserved herein by Developer.

(d) Notwithstanding anything provided in this Declaration to the contrary, the placement or maintenance of a controlled access gate or device, fence, wall or any other improvements which may limit or restrict access to the Property is not intended to obligate Developer, the Association or any third party to provide any form of security within the Property and each Owner, for himself or herself and any Occupants of such Owner's Lot or Dwelling and their respective guests, heirs, executors, personal representatives, administrators, successors and assigns, do hereby irrevocably and unconditionally waive, release and forever discharge Developer, the Association and any other Person to whom Developer has transferred the Access Roads and their respective officers, directors, members, managers, partners, agents, representatives, successors and assigns of and from any and all actions, causes of action, claims, demands, agreements, covenants, suits, obligations, controversies, accounts, damages, costs, expenses, losses and liabilities of every kind or nature, known or unknown, arising out of or on account of any loss, damage or injury to person or property, including death, resulting from any entry, whether lawful or unlawful, onto the Property or any of the Lots or Dwellings by any third party (including any other Owners and Occupants) or arising out of the acts or omissions of any third party (including all other Owners and Occupants).

(e) All vehicular traffic on or within the Access Roads shall be subject to the applicable provisions of the laws of the State of Alabama and any other city or county having jurisdiction thereof concerning operation of motor vehicles. The Association is authorized to promulgate, administer and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including adopting reasonable safety measures and speed limits for the Access Roads and, subject to the provisions of Sections 11.01 and 11.02 below, the right to deny, limit or prohibit vehicular access via any of the Access Roads. The Association shall also be entitled to enforce any such rules and regulations by establishing such enforcement procedures as it deems necessary or appropriate, including hiring security or traffic patrols which have the right to levy fines for the violation of any such traffic rules and regulations. All vehicles of any kind and nature which are operated on any of the Access Roads shall be operated (i) in accordance with all reasonable rules and regulations adopted from time to time by the Association and (ii) in a careful, prudent, safe and quiet manner with due consideration for the rights of all other Owners and Occupants of the Property.

(f) Notwithstanding anything provided in this Declaration to the contrary, in no event shall any Owner or Occupant construct, install, place, operate or maintain any Improvements, including, without limitation, bird houses, bird baths or bird or other animal feeding or housing areas or Improvements, on or within any of the Common Areas.

ARTICLE IV

ASSOCIATION

4.01 **MEMBERSHIP.** Subject to the terms and provisions of this Section 4.01 and Sections 4.03(d) and 11.01 below, the Owner of each Lot and the Owner of each Dwelling on a Lot shall be a member of the Association. Subject to the terms and provisions of this Section 4.01 and Sections 4.03 and 11.01 below, membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling; provided, however, that (a) if a Lot has been improved with Multi-Family Dwellings, then, subject to the provisions of Section 4.01(b) below, the Owner of each Multi-Family Dwelling on such Lot shall have one (1) vote for each Multi-Family Dwelling owned, (b) if a Lot has been improved with Multi-Family Dwellings and such Multi-Family Dwellings are subject to a Sub-Declaration which also establishes a Sub-Association for such Multi-Family Dwellings, then (i) the voting rights and membership rights in the Association attributable to such Multi-Family Dwellings shall be exercised solely by the Sub-Association and not by the individual Owners of such Multi-Family Dwellings and (ii) the applicable Sub-Association (or its designated representative) shall have one (1) vote for each Multi-Family Dwelling subject to the applicable Sub-Declaration for which such Sub-Association was organized, (c) once a Lot is developed with a Dwelling, then the Lot, as a Lot only, no longer has any rights (voting or otherwise) in the Association but, subject to the provisions of Section 4.01(b) above, the Dwelling(s) on such Lot will have all such rights (voting and otherwise), (d) Developer shall be deemed a member of the Association and shall have one (1) vote for each Lot or Dwelling within the Property owned by Developer, (e) in the event any Lot or Dwelling is owned by more than one (1) person, then the Owner of such Lot or Dwelling shall, by written notice to the Board, designate only one (1) representative to serve as a member of the Association, which representative shall exercise all voting rights attributable to the Lot or Dwelling owned by such Owner and (f) no Mortgagee shall become a member of the Association until such time, if at all, that the Mortgagee becomes an Owner by virtue of foreclosure of its Mortgage and title to such encumbered Lot or Dwelling is vested in Mortgagee pursuant to a duly recorded deed. The transfer or conveyance of fee title to any Lot or Dwelling (other than by a Mortgage as security for the payment of an obligation), shall automatically include the transfer of all membership rights of such Owner in the Association with respect to the Lot or Dwelling transferred and conveyed, notwithstanding any failure of the transferor to endorse to his transferee any certificates, assignments or other evidence of such membership. Except for the voting rights to be exercised by a Sub-

Association for Multi-Family Dwellings as provided above, membership in, or the rights and benefits of, the Association may not be transferred, assigned, conveyed or otherwise alienated in any manner separately and apart from the ownership of a Lot or Dwelling. Each member of the Association shall at all times comply with the provisions of this Declaration, the Articles of Incorporation, the Bylaws and all rules and regulations which may from time to time be adopted by the Board or the members of the Association.

4.02 **BOARD.** The Board shall have the rights and duties set forth in the Articles of Incorporation and the Bylaws. Developer hereby retains and shall have the sole and exclusive right to appoint and remove, with or without cause, any and all members of the Board and any and all officers of the Association until the occurrence of the Turnover Date. From and after the Turnover Date, the number of members of the Board shall continue to be three (3) and the Owners shall have the exclusive right to elect and remove all three (3) members of the Board in accordance with the terms and provisions of the Bylaws. As used throughout this Declaration, all actions required or permitted to be taken by the Association shall, unless otherwise expressly provided herein to the contrary, be by the majority vote of the members of the Board. Each Owner, by acceptance of a deed to a Lot or Dwelling, vests in Developer the sole and absolute authority to appoint and remove all of the members of the Board and all of the officers of the Association until the occurrence of the Turnover Date.

4.03 **VOTING RIGHTS.**

(a) **Notwithstanding anything provided to the contrary in this Declaration, the Articles of Incorporation or the Bylaws, Developer shall, subject to the remaining terms and provisions of this Section 4.03(a), have the sole and exclusive right to exercise all voting rights in the Association until the Turnover Date;** provided, however, that (i) any Special Assessments must be approved by the Owners in accordance with the terms and provisions of Section 8.04 below and (ii) certain amendments to this Declaration are subject to the terms and provisions of Section 10.02 below. Each Owner, by acceptance of a deed to any Lot or Dwelling, shall be deemed to have irrevocably and unconditionally agreed to the foregoing terms and provisions of this Declaration and shall further be deemed to waive any and all voting rights in the Association prior to the Turnover Date other than as specifically set forth in Sections 8.04 and 10.02 hereof.

(b) With respect to those two (2) matters described in Section 4.03(a) above which must be approved or voted on by the Owners prior to the occurrence of the Turnover Date and at all times following the Turnover Date, the Owner of each Lot and the Owner of each Dwelling who is "in good standing", as defined in the Bylaws, shall be entitled to one (1) vote in any matter submitted to the members of the Association for approval; provided, however, that if a Lot has been improved with Multi-Family Dwellings and such Multi-Family Dwellings are subject to a Sub-Declaration which has a Sub-Association, then the Sub-Association organized under the application Sub-Declaration shall exercise the voting rights of the Owners of all Multi-Family Dwellings subject to such Sub-Declaration and the individual Owners of each Multi-Family Dwelling on such Lot shall not have separate voting right separate and apart from such Sub-Association. In the event a Lot contains a Multi-Family Building with Multi-Family Dwellings but such Lot or the Multi-Family Dwellings situated thereon are not subject to a Sub-Declaration or, if such Lot and/or the Multi-Family Dwellings situated thereon are subject to a Sub-Declaration but such Sub-Declaration does not establish a Sub-Association under such Sub-Declaration, then, in either event, each Owner of each Multi-Family Dwelling on such Lot shall exercise the voting rights attributable to the Multi-Family Dwellings on such Lot. Such voting rights shall continue to apply to each Lot or Dwelling upon the addition of any of the Additional Property to this Declaration. Only those Owners who hold legal title to a Lot or Dwelling shall be entitled to vote on any matter submitted to the members of the Association for approval. For purposes of this Section 4.03, at all times prior to and

after the Turnover Date, Developer shall be deemed the Owner of, and entitled to, all voting rights attributable to any Lots or Dwellings owned by Developer.

(c) Each Owner, by acceptance of a deed to a Lot or Dwelling, consents and agrees to the dilution or increase of his or her voting interest in the Association by virtue of the (i) resubdivision of any Lot by Developer pursuant to Section 2.05 above, (ii) the addition of any Additional Property to the terms of this Declaration pursuant to the provisions of Section 2.02 above (including additional Lots and Dwellings being added or developed as part of such Additional Property) and (iii) the removal of real property from the Declaration pursuant to the provisions of Section 2.07 above. Fractional voting shall not be permitted.

(d) Notwithstanding anything provided herein to the contrary, the Association shall have the right to suspend any Owner's voting rights or privileges in the Association pursuant to the terms and provisions of Section 11.01 below. To the extent any Owner is not "in good standing", as defined in the Bylaws, then the voting rights of such Owner shall be suspended and shall not be counted or included in determining whether a quorum is present or whether the applicable number of votes have been cast in any vote of the Owners, as more particularly described and provided in the Bylaws.

4.04 DUTIES AND POWERS OF ASSOCIATION.

(a) In addition to the rights, duties, responsibilities and obligations of the Association otherwise set forth in this Declaration, the Association shall have the power to do, cause to be done and otherwise perform or cause to be performed any of the duties and powers set forth in the Articles of Incorporation and the Bylaws. The Association may exercise any other right or privilege granted to it expressly by this Declaration or by law, together with every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. The powers and authority granted herein and in the Articles of Incorporation and Bylaws of the Association may be exercised by the Board, acting through the officers of the Association, without further consent or action on the part of the Owners. Subject to the conditions, restrictions and other provisions of this Declaration, all agreements, actions and determinations lawfully authorized by the Board shall be binding upon all Owners, their heirs, executors, personal representatives, administrators, successors and assigns and all others having any interest in the Property.

(b) In performing its responsibilities hereunder, the Association, through the Board, shall have the right and authority to delegate to such persons of its choice, including third party management companies which may be Affiliates of Developer, such duties of the Association as may be determined by the Board. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of any portion of the Common Areas, whether such personnel are furnished or employed directly by the Association or by independent contract with the Association. All costs and expenses incident to the employment of a manager of the Association or any of the Common Areas shall be part of the Common Expenses. During the term of any such management agreement entered into by the Association with a third party, such manager may, if authorized by the Board, exercise all the powers and shall be responsible for the performance of all of the duties of the Association, excepting any of such powers or duties specifically reserved to the Board or the officers of the Association by this Declaration, the Articles of Incorporation or the Bylaws. Such manager may be any Person and may be bonded in such manner as the Board may require, with the cost of such bond to be part of the Common Expenses. Developer or any of Developer's Affiliates may be employed as the manager of the Association and for the Property until the Turnover Date at such compensation and on such terms

as would be usual, customary and obtainable in an arms-length transaction with any third party providing comparable services for any real estate development in the Baldwin County, Alabama area.

(c) In addition to the foregoing, the Association may pay for and the Board may hire and contract for such legal, accounting and other professional services as are necessary or desirable in connection with the administration and operation of the Property and the Association or the enforcement of this Declaration, the Articles of Incorporation, the Bylaws, the Architectural Standards or any rules and regulations of the Association.

4.05 **MEETINGS OF MEMBERS OF ASSOCIATION.** Notwithstanding anything provided in this Declaration, the Articles of Incorporation or the Bylaws to the contrary, no meetings of the Owners (*i.e.*, members of the Association) shall be held prior to the Turnover Date. Following the occurrence of the Turnover Date, annual meetings of the Owners (members of the Association) shall be held in accordance with the terms and provisions of the Bylaws.

4.06 **INDEMNIFICATION.** The Association shall and does hereby indemnify, defend and agree to hold each and every member of the Board and each and every officer, agent, employee and representative (including any person designated by the Board to serve as a committee member on any committee established by the Board) of the Association harmless from and against any and all expenses, including court costs and reasonable attorneys' fees, suffered, paid or incurred by any of them in connection with any action, suit or other proceeding, including the settlement of any suit or proceeding to which such person may be made a party by reason of being or having been a member of the Board or an officer, agent, employee or representative (including any person designated by the Board to serve as a committee member on any committee established by the Board) of the Association. The members of the Board and the officers, agents, employees and representatives of the Association (including any person designated by the Board to serve as a committee member on any committee established by the Board) shall not be liable for any mistake in judgment, negligence or otherwise except for their own willful misconduct or reckless disregard of duty, as finally determined by a court of competent jurisdiction. The members of the Board and the officers, agents, employees and representatives of the Association (including any person designated by the Board to serve as a committee member on any committee established by the Board) shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall and does hereby indemnify, defend and agree to forever hold each such member of the Board and each such officer, agent, employee and representative of the Association (including any person designated by the Board to serve as a committee member on any committee established by the Board) harmless from and against any and all liability to others on account of any such contract or commitment. The indemnification obligations and rights provided for herein shall not be exclusive of any other rights to which any member of the Board or any officer, agent, employee or representative of the Association (including any person designated by the Board to serve as a committee member on any committee established by the Board) may be entitled, including anything provided to the contrary in the Articles of Incorporation or the Bylaws. The Association shall maintain adequate general liability and, to the extent financially feasible, officers' and directors' liability insurance in order to fulfill its obligations under this Section 4.06 and the costs of such insurance shall constitute a Common Expense.

4.07 **TURNOVER.** On or prior to the occurrence of the Turnover Date, all Common Areas, if any, owned by Developer shall be transferred and conveyed by Developer to the Association by quitclaim deed. Developer may, in its sole and absolute discretion, elect to transfer and convey to the Association by quitclaim deed any other real property owned by Developer at any time prior to or after the occurrence of the Turnover Date. Notwithstanding the foregoing, Developer shall, at its sole cost and expense, cause any real property conveyed to the Association to be conveyed free and clear of all liens and encumbrances other than taxes for the then current year and all subsequent years thereafter, the terms and provisions of

this Declaration and all other easements, restrictions, rights-of-way, reservations and other matters of record and such other terms, covenants and agreements as may be required by Developer (which may include, by way of illustration, but not limitation, the reservation of easements and other rights as to such real property conveyed by Developer to the Association or the prior grant by Developer of use rights or easements to other Persons to use any such Common Areas). The Association, by execution of this Declaration, agrees to accept conveyances by quitclaim deeds of any and all real property which may be conveyed to it by Developer and, if requested by Developer, from any builders or developers of any portion of the Property and all such Property shall thereafter constitute and be deemed to be part of the Common Areas. In addition, on or before the Turnover Date, Developer shall transfer and assign to the Association and the Association shall assume all of Developer's rights and obligations under any and all agreements entered into by Developer on behalf of the Association or which benefit the Association. **Developer does not make, and has not made, any representations or warranties, either express or implied, as to the physical condition of any real or personal property which may be conveyed by Developer to the Association and the Association shall accept any such real or personal property in its then "AS IS" condition, "WITH ALL FAULTS".**

ARTICLE V

ARCHITECTURAL REVIEW AND ARCHITECTURAL STANDARDS

5.01 **COMMITTEE COMPOSITION.** The ARC shall consist of not less than three (3) nor more than seven (7) persons, each of whom shall be appointed or elected as provided in Section 5.02 below. The persons designated to serve on the ARC may, but shall not be required to be, Owners or Occupants. The regular term of office for each member of the ARC shall be one (1) year, coinciding with the fiscal year of the Association. Any member of the ARC may be removed with or without cause in the manner provided in Section 5.02 below.

5.02 **APPOINTMENT AND REMOVAL OF ARC MEMBERS.**

(a) **DEVELOPER RESERVES THE RIGHT AT ALL TIMES (EITHER PRIOR TO OR AFTER THE OCCURRENCE OF THE TURNOVER DATE) TO APPOINT AND REMOVE ALL MEMBERS OF THE ARC.** Any person appointed as a member of the ARC by Developer may be removed, with or without cause, at any time by Developer. In the event of the death or resignation of a member of the ARC who has been appointed by Developer, then the Developer shall appoint a substitute member of the ARC to fill such vacancy.

(b) Developer reserves the right, at any time either prior to or after the occurrence of the Turnover Date, to elect to assign to the Board its rights to appoint and remove ARC members. Should Developer elect to assign such rights to the Board, then the Board shall at all times thereafter have the right to appoint and remove all persons who will serve on the ARC. Any person appointed as a member of the ARC by the Board may be removed, with or without cause, at any time by the Board. In the event of the death or resignation of a member of the ARC who has been appointed by the Board, then the Board shall appoint a substitute member of the ARC to fill such vacancy.

(c) Any person appointed by Developer or the Board to serve on the ARC shall be deemed an agent of the Association.

5.03 **PROCEDURE AND MEETINGS.** The ARC shall elect a chairman and he or she, or in his or her absence, any vice-chairman so elected, shall be the presiding officer at all meetings of the ARC. The ARC shall meet on a regular basis as well as upon call of the chairman or vice-chairman and all such meetings shall be held at such places as may be designated by the chairman or vice-chairman. The presence, either in person or by proxy, of a majority of the total number of members of the ARC shall

constitute a quorum of the ARC for the transaction of business and the affirmative vote of a majority of those present in person or by proxy at a meeting of the ARC shall constitute the action of the ARC on any matter which comes before it. The ARC is authorized to retain the services of consulting architects, landscape architects, designers, engineers, inspectors and/or attorneys in order to advise and assist the ARC in performing its functions set forth herein. Any such costs and expenses incurred by the ARC which are not paid by Owners as part of the plan review fee established from time to time by the ARC shall constitute Common Expenses. Each member of the ARC may be paid a stipend or honorarium as may from time to time be determined by the Board and shall otherwise be entitled to a reimbursement of expenses incurred on behalf of the ARC, subject to the approval of such expenses by the Board. The ARC shall have the right from time to time to adopt and establish such rules and regulations as may be determined to be necessary concerning the procedure, notice of meetings and all other matters concerning the conduct of the business of the ARC, including, without limitation, the right to designate one (1) person to act on behalf of the entire ARC in all matters in which the ARC is granted the right to act under the terms of this Declaration.

5.04 **ARCHITECTURAL STANDARDS.** The ARC is hereby authorized to promulgate and amend and modify from time to time written Architectural Standards governing policies, guidelines and minimum requirements to be satisfied with respect to the construction, location, landscaping and design of all Dwellings and any other Improvements on any Lot or Dwelling, the content and manner in which plans and specifications and other documentation and information concerning the construction of any Dwelling or other Improvements on a Lot or Dwelling are to be submitted to and approved by the ARC and any other matters affecting the construction, repair or maintenance of any Dwelling or other Improvements on any Lot or Dwelling. The Architectural Standards and any and all amendments thereto adopted from time to time by the ARC shall be in addition to the provisions and requirements set forth in this Declaration and shall be binding upon and enforceable against all Owners.

5.05 **APPROVAL OF PLANS AND SPECIFICATIONS.**

(a) **IN ORDER TO PRESERVE THE ARCHITECTURAL AND AESTHETIC APPEARANCE AND THE NATURAL SETTING AND BEAUTY OF THE PROPERTY, TO ESTABLISH AND PRESERVE A HARMONIOUS DESIGN FOR THE PROPERTY AND TO PROTECT AND PROMOTE THE VALUE OF THE PROPERTY, THE LOTS, THE DWELLINGS AND ALL IMPROVEMENTS THEREON, NO IMPROVEMENTS OF ANY NATURE SHALL BE COMMENCED, ERECTED, INSTALLED, PLACED, MOVED ONTO, ALTERED, REPLACED, RELOCATED, PERMITTED TO REMAIN ON OR MAINTAINED ON ANY LOT OR DWELLING OTHER THAN BY DEVELOPER, WHICH AFFECT THE EXTERIOR APPEARANCE OF ANY LOT OR DWELLING UNLESS PLANS AND SPECIFICATIONS THEREFORE HAVE BEEN SUBMITTED TO AND APPROVED BY THE ARC IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF SECTION 5.05(b) BELOW. WITHOUT LIMITING THE FOREGOING, (i) THE CONSTRUCTION AND INSTALLATION OF ANY DWELLINGS, SIDEWALKS, DRIVEWAYS, PARKING LOTS, MAILBOXES, DECKS, PATIOS, COURTYARDS, SWIMMING POOLS, TENNIS COURTS, GREENHOUSES, PLAYHOUSES, PLAY EQUIPMENT, AWNINGS, WEATHER VANES, WALLS, FENCES, EXTERIOR LIGHTS, GARAGES, GUEST OR SERVANT'S QUARTERS, ACCESSORY BUILDINGS OR ANY OTHER OUTBUILDINGS OR IMPROVEMENTS, SHALL NOT BE UNDERTAKEN, NOR SHALL ANY EXTERIOR ADDITION TO OR CHANGE OR ALTERATION TO AN EXISTING DWELLING, GARAGE OR OTHER STRUCTURE ON A LOT BE MADE (INCLUDING, WITHOUT LIMITATION, PAINTING OR STAINING OF ANY EXTERIOR SURFACE), UNLESS THE PLANS AND SPECIFICATIONS FOR THE SAME HAVE BEEN SUBMITTED TO AND APPROVED BY THE ARC IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF SECTION 5.05(b) BELOW AND (ii) THE INITIAL**

LANDSCAPING FOR ANY LOT SHALL NOT BE INSTALLED UNTIL PLANS AND SPECIFICATIONS FOR THE SAME HAVE BEEN SUBMITTED TO AND APPROVED BY THE ARC IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF SECTION 5.05(b) BELOW. NO INTERIOR PORTIONS OR AREAS WITHIN A DWELLING OR OTHER STRUCTURES LOCATED ON A LOT WHICH DO NOT CONSTITUTE LIVING SPACE MAY BE CONVERTED INTO LIVING SPACE UNLESS THE ARC, IN ITS SOLE AND ABSOLUTE DISCRETION, APPROVES THE SAME.

(b) The ARC is hereby authorized and empowered to approve all plans and specifications and the construction of all Dwellings and other Improvements on any part of the Property, including, specifically, all Common Areas but specifically excluding any and all of those areas of the Property being developed by Developer for which no ARC approval shall be required. Prior to the commencement of any Dwelling or other Improvements on any Lot or Dwelling, the Owner thereof shall submit to the ARC plans and specifications and related data for all such Improvements, which shall include the following:

(i) Two (2) copies of a professionally and accurately drawn and dimensioned site development plan indicating the location of any and all Improvements, including, specifically, the Dwelling to be constructed on said Lot, the location of all driveways, walkways, decks, terraces, patios and outbuildings and the relationship of the same to any set-back requirements applicable to the Lot or Dwelling;

(ii) Two (2) copies of a foundation plan, floor plans, lighting plans (including specifically, any exterior lighting to be utilized with respect to such Lot or Dwelling) and exterior elevation drawings of the front, back and sides of the Dwelling or other Improvements to be constructed on the Lot;

(iii) Two (2) copies of written specifications and, if requested by the ARC, samples indicating the nature, color, type, shape, height and location of all exterior materials to be used in the construction of the Dwelling on such Lot or any other Improvements thereto, including, without limitation, the type and color of all brick, stone, stucco, roofing and other materials to be utilized on the exterior of a Dwelling and the color of paint or stain to be used on all doors, shutters, trim work, eaves and cornices on the exterior of such Dwelling;

(iv) Two (2) copies of a landscaping plan prepared and submitted in accordance with the provisions of Section 5.06 below, together with the irrigation (underground sprinkler) plan for such Lot or Dwelling; and

(v) Such other plans, specifications or other information or documentation as may be required by the ARC or the Architectural Standards.

(c) The ARC shall, in its sole and absolute discretion, determine whether the plans and specifications and other data submitted by any Owner for approval are acceptable. The ARC shall have the right to disapprove any plans and specifications upon any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations, any failure to comply with any of the provisions of this Declaration or the Architectural Standards, failure to provide requested information, objection to exterior design, appearance or materials, objection on the ground of incompatibility of any such proposed improvement with the scheme of development proposed for the Property, objection to the location of any proposed Improvements on any such Lot or Dwelling, objection to the landscaping plan for such Lot or Dwelling, objection to the color scheme, finish, proportions, style

of architecture, height, bulk or appropriateness of any Improvement or any other matter which, in the sole and absolute judgment of the ARC, would render the proposed Improvement inharmonious with the general plan of development contemplated for the Property. The ARC shall have the right to approve any submitted plans and specifications with conditions or stipulations by which the Owner of such Lot or Dwelling shall be obligated to comply and must be incorporated into the plans and specifications for such Improvements. Approval of plans and specifications by the ARC for Improvements to one particular Lot or Dwelling shall not be deemed an approval or otherwise obligate the ARC to approve similar plans and specifications or any of the features or elements for the Improvements for any other Lot or Dwelling. One copy of all plans, specifications and related data so submitted to the ARC shall be retained in the records of the ARC and the other copy shall be returned to the Owner submitting the same marked "approved", "approved as noted" or "disapproved". Notwithstanding anything provided herein to the contrary, an Owner may make interior improvements and alterations within such Owner's Dwelling without the necessity or requirement that the approval or consent of the ARC be obtained so long as (i) such improvements and alterations do not affect the exterior appearance of such Dwelling and (ii) the Living Space within such Dwelling is not increased.

(d) The ARC shall establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, designers, engineers, inspectors and/or attorneys retained in order to approve such plans and specifications and to monitor and otherwise enforce the terms hereof. Such fee or fees shall be paid by the Owner who is seeking approval of plans and specifications. The ARC shall also have the right, in its sole and absolute discretion, to require the Owner of each Lot or Dwelling to deposit a construction escrow/security deposit with the ARC at the time the ARC approves the plans and specifications for any Improvements to such Owner's Lot. Such construction escrow/security deposit shall be held by the Association, shall serve as security for the full and faithful completion by such Owner of all Improvements to be made by such Owner on such Owner's Lot or Dwelling and the compliance with all of the terms, conditions and provisions of this Declaration and interest, if any, earned on said deposit shall belong to and remain the property of the Association. Any such escrow/security deposit shall be returned to the Owner who has deposited the same upon completion of all Improvements on such Lot or Dwelling and the determination by the ARC, in its sole and absolute discretion, that all of the other terms and provisions of this Declaration have been satisfied and complied with in all respects by such Owner, his or her agents, employees and independent contractors. If the ARC, in its sole discretion, determines that such Improvements are not timely completed in accordance with the terms and provisions of this Declaration, or if, in the construction of such Improvements, such Owner or his or her agents, employees or independent contractors, fail to abide by all of the terms and provisions of this Declaration and any of the Architectural Standards, then the ARC shall have the right, in its sole and absolute discretion, to use all or any portion of such escrow/security deposit to complete, correct or remedy any such breach by such Owner or his or her agents, employees or independent contractors; provided, however, that application of such escrow/security deposit to the costs to complete, correct or remedy any such breach or violation shall not be deemed a release or waiver of any rights of the ARC or the Association to exercise any of their respective rights or remedies set forth in this Declaration. In addition to the foregoing, the ARC reserves the right, in its sole and absolute discretion, to require each Owner and/or such Owner's builder, to execute a soil erosion indemnity in favor of the ARC, the Association and Developer.

(e) In the event the ARC fails to approve in writing any proposed plans and specifications within thirty (30) days after such plans and specifications have been submitted, then the plans and specifications so submitted to the ARC will be deemed to have been disapproved.

(f) Any revisions, modifications or changes in any plans and specifications previously approved by the ARC must be approved by the ARC in the same manner specified above.

(g) If construction of the Dwelling or the Improvements has not substantially commenced (e.g., by clearing and grading, pouring of footings and otherwise commencing framing and other related construction work) within one (1) year of approval by the ARC of the plans and specifications for such Dwelling or other Improvements, then no construction may be commenced (or continued) on such Lot or Dwelling and the Owner of such Lot or Dwelling shall be required to resubmit all plans and specifications for any Dwelling or other Improvements to the ARC for approval in the same manner specified above.

(h) Each Owner, for such Owner and any builder, contractor, agent, employee or representative of such Owner, covenants and agrees not to apply for or obtain a building permit for any Improvements to such Owner's Lot until such time as the ARC has approved the plans and specifications for such contemplated Improvements.

5.06 **LANDSCAPING APPROVAL.** In order to preserve, to the extent practicable, the natural landscaping and plant life currently situated on the Property and in order to enhance the aesthetic appearance of the Property, no landscaping, grading, excavation or fill work of any nature shall be implemented or installed by any Owner (other than by Developer) on any Lot or Dwelling unless and until landscaping plans therefore have been submitted to and approved by the ARC. Notwithstanding the foregoing, an Owner may periodically remove, change, plant and replant annual flowers in any flower beds within such Owner's Lot designated for annual flowers (as shown on landscaping plans approved by the ARC).

5.07 **CONSTRUCTION WITHOUT APPROVAL.** If (a) any Improvements are initiated, installed, maintained, altered, replaced or relocated on any Lot or Dwelling without ARC approval of the plans and specifications for the same or (b) the ARC shall determine that any approved plans and specifications for any Improvements or the approved landscaping plans for any Lot or Dwelling are not being complied with, then, in either event, the Owner of such Lot or Dwelling shall be deemed to have violated this Declaration and the ARC shall have the right to exercise any of the rights and remedies set forth in Section 5.12 below.

5.08 **INSPECTION.** The ARC and any agent, employee or representative thereof may at any reasonable time and from time to time enter upon and inspect any Lot or Dwelling or any Improvements being constructed thereon in order to determine whether the approved plans and specifications therefore are being complied with. Any such entry shall not be deemed to be a trespass or any other wrongful act by the ARC.

5.09 **SUBSURFACE CONDITIONS.** The approval of plans and specifications by the ARC for any Dwelling or other Improvements on a Lot or Dwelling shall not be construed in any respect as a representation or warranty by the ARC or Developer to the Owner submitting such plans or to any of the successors or assigns of such Owner that the surface or subsurface conditions of such Lot or Dwelling are suitable for the construction of the Improvements contemplated by such plans and specifications. It shall be the sole responsibility of each Owner to determine the suitability and adequacy of the surface and subsurface conditions of any Lot or Dwelling for the construction of any contemplated Improvements thereon.

5.10 **LIMITATION OF LIABILITY.** Notwithstanding anything provided herein to the contrary, (a) neither Developer, the ARC, the Association, nor any agent, employee, representative, member, shareholder, partner, officer or director thereof shall have any liability of any nature whatsoever for, and (b) each Owner, by acceptance of a deed to any Lot or Dwelling, does hereby irrevocably and unconditionally waive and release Developer, the ARC, the Association and each agent, employee, representative, member, shareholder, partner, officer and director thereof from, any and all damage, loss,

action, cause of action, liability, expense or prejudice suffered, claimed, paid or incurred by any Owner on account of (i) any defects in any plans and specifications submitted, reviewed or approved in accordance with the provisions of this Article V, (ii) any defects, structural or otherwise, in any work done according to such plans and specifications, (iii) the failure of the ARC to approve or the disapproval of any plans, drawings, specifications or other data submitted by any Owner for approval pursuant to the provisions of this Article V, (iv) the construction or performance of any work related to such plans, drawings and specifications, (v) bodily injuries (including death) to any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner or Occupant, or any damage to any Dwellings, Improvements or the personal property of any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of such Owner or Occupant, which may be caused by, or arise as a result of, any defect, structural or otherwise, in any Dwellings or Improvements or the plans and specifications therefore, or any past, present or future soil and/or subsurface conditions, known or unknown (including, without limitation, sinkholes, underground mines, tunnels and water channels and limestone formations on or under any Lot or Dwelling) and (vi) any other loss, claim, damage, liability or expense, including court costs and attorneys' fees, suffered, paid or incurred by any Owner arising out of or in connection with the use and occupancy of any Lot or Dwelling, or any Improvements situated thereon.

5.11 **COMMENCEMENT AND COMPLETION OF CONSTRUCTION.** As provided in Section 11.03 below, unless otherwise agreed to in writing by Developer, each Owner must commence construction of a Dwelling on such Owner's Lot within twelve (12) months from the date such Lot was first purchased from Developer. Upon commencement of construction of any Dwelling, unless otherwise agreed to in writing by Developer, construction work thereon shall be prosecuted diligently and continuously and shall be completed within twelve (12) months of the commencement date of said construction (unless an extension is granted in writing by the ARC), such completion to be evidenced by a final certificate of occupancy issued by the appropriate Governmental Authorities. In the event any Owner fails to commence or complete construction of a Dwelling on such Owner's Lot as provided herein, then Developer shall have the rights set forth in Section 11.03 below.

5.12 **ENFORCEMENT AND REMEDIES.** In the event any of the provisions of this Article V are breached or are not otherwise being complied with in all respects by any Owner or Occupant or the respective family members, guests, invitees, agents, employees or contractors of any Owner or Occupant, then the ARC and the Association shall each have the right, at their option, to (a) enjoin any further construction on any Lot or Dwelling and require the removal or correction of any work in place which does not comply with the plans and specifications approved by the ARC for such Improvements and/or (b) through their designated agents, employees, representatives and independent contractors, enter upon such Lot or Dwelling and take all action necessary to extinguish such violation or breach. All costs and expenses incurred by the ARC or the Association in enforcing any of the provisions of this Article V including, without limitation, attorneys' fees, court costs, costs and expenses of witnesses, engineers, architects, designers, land planners and any other persons involved in the correction of nonconforming work, the completion of uncompleted work or in any judicial proceeding, together with any other costs or expenses incurred by the ARC or the Association in causing any Owner or such Owner's contractors, agents or invitees to comply with the terms and provisions of this Article V, shall be paid by such Owner, shall constitute an Individual Assessment to such Owner pursuant to Section 8.05 below and, if the same is not paid when due, shall be subject to the lien provided for in Sections 8.01 and 8.07 below and be subject to foreclosure as provided for therein. Notwithstanding anything provided herein to the contrary, the rights and remedies of the ARC and the Association set forth in this Section 5.12 shall not be deemed exclusive of any other rights and remedies which the ARC or the Association may exercise at law or in equity or any other rights and remedies specified in this Declaration.

5.13 **COMPLIANCE CERTIFICATION.** The ARC (or any authorized representative thereof) shall, upon request and at such reasonable charges as may from time to time be adopted by the Board, furnish to an Owner a certificate in writing setting forth whether all necessary ARC approvals have been obtained and whether any Dwelling or Improvement has been constructed in accordance with the provisions of this Declaration.

ARTICLE VI

USE AND PROPERTY RESTRICTIONS

6.01 **USE RESTRICTIONS.** Except as otherwise provided to the contrary in this Section 6.01, each Lot and Dwelling shall be used for residential purposes only as well as for ancillary structures and uses normally and customarily found in residential developments. Except as otherwise provided to the contrary in this Section 6.01, no trade or business may be carried on in or from any Lot or Dwelling. Notwithstanding anything provided to the contrary in this Section 6.01, (a) any portion of the Property may be used for Common Areas to the extent approved by either Developer or the ARC, (b) the use of any portion of a Dwelling as an office by an Owner or Occupant shall not be considered a violation of this Section 6.01 if such use does not create regular customer, client or employee traffic, (c) Developer and any Person to whom Developer has specifically authorized in writing to do so may utilize any portion of the Property and any Lot or Dwelling owned by Developer or such Person for information centers, sales centers, offices and model homes and (d) any portion of the Property may be used for any of the uses authorized or allowed by the zoning ordinance of the City of Fairhope, Alabama based on the zoning classification established for each portion of the Property under the terms of such City of Fairhope, Alabama zoning ordinance (e.g., with respect to any portion of the Property zoned as a "Low-Rise Residential Zone" all uses allowed by the City of Fairhope, Alabama zoning ordinance for "Low-Rise Residential Zone" property shall be allowed; with respect to any portion of the Property zoned as a "Mid-Rise Residential Zone" all uses allowed by the City of Fairhope, Alabama zoning ordinance for "Mid-Rise Residential Zone" property shall be allowed, etc.). To the extent any uses allowed by the City of Fairhope, Alabama zoning ordinance are authorized uses, the such uses shall be deemed acceptable and approved uses notwithstanding anything provided to the contrary in this Section 6.01. In no event shall any Lots be used for trailer and mobile homes; provided, however, that with ARC approval, construction trailers may be located on any Lot during construction of Improvements on that Lot.

6.02 **PLAN APPROVAL.** No Dwellings or other Improvements of any nature whatsoever shall be constructed on any Lot or Dwelling unless such Dwelling or Improvements have been approved by the ARC in the manner set forth in Article V above.

6.03 **UNDERGROUND UTILITIES.**

(a) All utility lines, pipes, conduits and wiring for electrical, gas, telephone, water, sanitary sewer (to the extent available), cable television, security and any other utility service for any portion of the Property shall be installed and maintained below ground.

(b) All electrical, gas, telephone and cable television meters, transformers and junction boxes, if any, for each Lot, shall be located, to the greatest extent possible, so as not to be visible from any roadway within or adjacent to the Property. All Owners shall install and maintain landscaping around all such meters and all electrical transformers and junction boxes situated on such Owner's Lot in a manner to visually screen, to the greatest extent practicable, all such meters, transformers and junction boxes from view from any roadway within or adjacent to the Property. All exterior heating, ventilating and air conditioning compressor units and equipment shall be located on the ground level of such Dwelling in a location and with appropriate screening by either walls or landscaping so that the same is not visible from any of the streets within or adjacent to the Property; provided, however, that with respect

to any Multi-Family Buildings, such equipment may be located within or on top of such Multi-Family Buildings so long as the same is screened from view.

6.04 **BUILDING SETBACKS.** Minimum building setback lines for all Dwellings shall be set forth on the Final Plat or in the deed to the Lot on which such Dwelling will be constructed (and may vary for each phase of development or subdivision within the Property). Canopies and awnings and second story porches, decks and balconies may overhang any building setback lines by up to twenty-four (24) inches but may not overhang Lot boundary lines.

6.05 **APPLICATION OF ARCHITECTURAL STANDARDS.** The Architectural Standards establish various requirements for the development, use and construction of a Dwelling and other Improvements on any Lot. The Architectural Standards are binding on all Lots and include, without limitation, requirements regarding Lot size, Dwelling size, approved building materials and landscaping requirements for each Lot and Dwelling. Each Owner of a Lot or Dwelling shall be bound by and shall observe all requirements established by the Architectural Standards in the development, use and construction of Dwellings and any other Improvements on such Owner's Lot.

6.06 **HEIGHT LIMITATIONS.** The height of all Dwellings shall be compatible with all other Dwellings adjacent to such Lot or Dwelling. The height of each Dwelling shall be approved by the ARC and shall be subject to all regulations and requirements of applicable Governmental Authorities. Towers, decks and outside porches shall be subject to the foregoing height limitations. Chimneys and roof finials are not subject to the foregoing height limitations.

6.07 **MINIMUM LIVING SPACE.** Minimum Living Space requirements for all Dwellings shall be established (a) on the recorded Final Plat (which may vary for each phase of development or subdivision for the Property), or (b) in the deed from Developer to the Owner of such Lot or Dwelling.

6.08 **SOIL EROSION AND DRAINAGE.** Each Owner shall provide and maintain on his or her Lot or Dwelling adequate soil erosion measures and drainage facilities to accommodate any storm water runoff resulting from any Improvements being or having been constructed on such Owner's Lot or Dwelling. Each Owner shall also insure that his or her Lot or Dwelling and any Improvements thereto are at all times in strict compliance with (a) all soil erosion protection requirements of all applicable Governmental Authorities, (b) all storm water drainage and runoff requirements and regulations of all applicable Governmental Authorities and (c) all other statutes, ordinances, codes, laws, permits, legislation, rules, regulations, requirements, and rulings of any Governmental Authority. Each Owner shall, in connection with the construction of any Dwelling or other Improvements on such Owner's Lot, be solely responsible for providing adequate storm water drainage improvements and facilities on such Owner's Lot which shall be sufficient to adequately channel any storm water which may either cross or come upon such Owner's Lot from adjoining Lots or Common Areas or which may originate and drain from such Owner's Lot and any Improvements thereto onto adjoining Lots and Common Areas. **Each Owner, by acceptance of a deed to his or her Lot or Dwelling, shall and does hereby indemnify, defend and agree to hold Developer, the ARC, the Association and their respective agents, employees, officers, directors, shareholders, members, managers and representatives, harmless from and against any and all fines, penalties, costs and expenses, including court costs and reasonable attorneys' fees and expenses, and any and all other amounts suffered, paid or incurred by Developer, the ARC, the Association and their respective agents, employees, officers, directors, shareholders, members, managers and representatives in connection with any action, suit or proceeding (including the settlement of any suit or proceeding) to which any such person may be made a party by reason of the breach by such Owner (or such Owner's Occupants, contractors, subcontractors, guests, agents, employees or invitees) of any of the terms and provisions of this Section 6.08.**

6.09 **ABOVE OR BELOW GROUND TANKS AND WELLS.** No exposed above-ground tanks for the storage of fuel, water or any other substances shall be located on any Lot or Dwelling or within any of the Common Areas. No private water wells may be drilled or maintained and no septic tanks or similar sewage facilities may be installed or maintained on any Lot or Dwelling without the prior written consent of the ARC.

6.10 **TEMPORARY STRUCTURES.** No temporary house, trailer, shack, tent, barn, shed, storage shed, utility building, portable building, stable, poultry house or yard, rabbit hut, tree house or other outbuilding or structure of any kind, shall be permitted, constructed, installed or allowed to remain on any Lot or Dwelling; provided, however, that the foregoing shall not be deemed to prohibit (a) any detached garages or other structures which are approved in writing by the ARC, (b) to the extent approved by the ARC, dog houses for not more than two (2) dogs so long as such dog houses are visibly screened with landscaping from view from all roadways within or adjacent to the Property and all adjacent Lots and Dwellings, (c) to the extent approved by the ARC, temporary structures for social functions as may be permitted by the rules and regulations of the Board, (d) construction trailers and/or sales offices of Developer and (e) to the extent approved by the ARC, construction trailers and sales offices of Developer (or, with the prior written approval of the ARC, any other Person) for the construction and sale of Dwellings.

6.11 **CONSTRUCTION OF IMPROVEMENTS.**

(a) During the construction of any Improvements (including a Dwelling) on any Lot, (i) such Lot or Dwelling shall be maintained in a clean condition, free of debris and waste material, (ii) all unused construction materials shall be stored, to the extent practicable, out of view from any roadways within or adjacent to the Property and (iii) all construction trash, debris and rubbish on each Lot shall be properly disposed of outside the Property at least every two (2) weeks. Used construction materials may be burned on-site only in accordance with the laws, ordinances, codes, statutes, rules or regulations of any applicable Governmental Authority; in no event, however, shall any used construction materials be buried on or beneath any Lot, Dwelling or any other portion of the Property. No Owner shall allow dirt, mud, gravel or other substances to collect or remain on any roadways within or adjacent to the Property. Each Owner and each Owner's contractor, subcontractors, laborers and suppliers shall cause all such dirt, mud, gravel and other substances to be removed from the treads and wheels of all vehicles used in or related to the construction of Improvements on a Lot or Dwelling prior to such vehicles traveling on any roadways within or adjacent to the Property.

(b) During the initial construction of any Dwelling, one (1) sign in size and color to be approved by the ARC, may be posted in the front yard of a Lot facing the public street at a height not to exceed five (5) feet from the ground level advertising the Lot or the Dwelling thereon for sale or containing information identifying the builder of such Dwelling. No other signage, banners, flags or advertising posters shall be allowed on any portion of the Property unless approved by the ARC or the Board. No signage shall be attached, nailed or otherwise adhered to any tree or other plant life.

(c) During the construction of any Improvements, construction equipment and the vehicles of all contractors, subcontractors, laborers, materialmen and suppliers shall (i) not park within any of the Common Areas, (ii) utilize off-street parking only, (iii) enter the Lot or Dwelling on which such Improvements are being constructed only from the driveway for such Lot or Dwelling, and (iv) not damage trees or other vegetation on such Lot which are to be preserved. No construction trucks, equipment or machinery, including any trailers used for the transportation of construction equipment or machinery, shall be parked overnight on any roadways within the Property. Upon completion of construction of any Improvements or any Dwelling, all construction machinery, tools and equipment, all unused construction materials and all trash, debris and rubbish shall be immediately removed from the

Lot or Dwelling and such Lot or Dwelling shall be kept and maintained in a clean and uncluttered condition. All builders, contractors, subcontractors, laborers, suppliers, materialmen and other professionals involved in the construction of any Dwelling or other Improvements on a Lot shall be required to abide by and comply with all construction standards, guidelines and requirements adopted from time to time by the ARC as part of the Architectural Standards.

(d) All Dwellings and any other Improvements shall be constructed in compliance with the Architectural Standards and all applicable federal, state, county and local laws, ordinances, rules, regulations and zoning and building code requirements. Each Owner shall be solely responsible for obtaining from the appropriate Governmental Authorities all necessary permits and licenses and otherwise paying all required fees for the construction of any Improvements on such Owner's Lot. Each Owner shall also be responsible for strict compliance with the Architectural Standards and all applicable watershed protection, soil erosion and other governmental requirements, both during and after completion of construction of any Improvements on such Owner's Lot.

(e) The ARC shall have the right, in its sole and absolute discretion, to adopt an approved builder program pursuant to which only builders and general contractors approved by the ARC (and which satisfy any additional requirements of the ARC) will be allowed to construct Dwellings within the Property.

6.12 **SUBDIVISION.** No Lot may be further subdivided into more than one (1) Lot unless such Lot is owned by Developer. Lots may be resubdivided to combine two (2) Lots into one (1) Lot or resubdivided to reflect the same number of Lots which existed immediately prior to any such resubdivision so long as the same is approved by the ARC. Nothing contained in this Section 6.12 shall be applicable to the subdivision, resubdivision, or combination of any Lots or other real property owned by Developer. To the extent the ARC has approved the resubdivision or combination of any Lot as required by the terms and provisions of this Section 6.12, then such resubdivided or combined Lot shall continue to constitute the same number of Lots which existed immediately prior to the resubdivision or combination of such Lots and the Owner of such combined Lots shall continue to pay Assessments on the basis of the number of Lots which existed immediately prior to the resubdivision or combination of such Lots.

6.13 **RULES AND REGULATIONS.**

(a) The initial Rules and Regulations are attached hereto as **Exhibit B** and are incorporated herein by reference. The Rules and Regulations are subject to modification and amendment from time to time and at any time solely by the action of the Board and without any prior notification of, action, consent of or approval by, any of the Owners. The Board shall also have the right to adopt additional rules and regulations which shall be incorporated into and form a part of the Rules and Regulations, including, without limitation, the right to approve rental and sales agents, contractors and subcontractors who do business within the Property.

(b) In addition to the terms and provisions set forth in this Declaration, the Board may establish and enforce additional rules and regulations governing the use, improvement, maintenance and repair of all Common Areas. Such rules and regulations shall be binding upon all Owners and Occupants.

6.14 **COMPLIANCE WITH GOVERNMENTAL REGULATIONS.** Each Owner and Occupant shall at all times comply with all applicable laws, ordinances, statutes, rules, regulations, requirements and code provisions of all Governmental Authorities.

6.15 **VARIANCES.** The ARC, in its sole and absolute discretion, shall have the exclusive right to grant variances with respect to any of the provisions of Article V above, this Article VI and the Rules and Regulations. Any variance request submitted to the ARC shall be in writing and, upon approval of the same by the ARC, shall be evidenced by a written variance executed by either the chairman or vice chairman of the ARC.

6.16 **ENFORCEMENT AND REMEDIES.** In the event any of the provisions of this Article VI or any of the Rules and Regulations, are breached or are not otherwise being complied with in all aspects by any Owner or Occupant or the respective family members, guests, invitees, agents, employees or contractors of any Owner or Occupant, then the Association or the ARC shall each have the right, at their option, to (a) enjoin such violation or noncompliance and/or (b) through their designated agents, employees, representatives and independent contractors, enter upon such Lot or Dwelling and take all action necessary to extinguish or correct such violation or breach. All costs and expenses incurred by the ARC or the Association in enforcing any of the provisions of this Article VI or any of the Rules and Regulations, including, without limitation, attorneys' fees, court costs, costs and expenses of witnesses, engineers, architects, designers, land planners and any other persons involved in the correction of any noncompliance or the removal of such violation or in any judicial proceeding, together with any other costs or expenses incurred by the ARC or the Association in connection therewith, shall be paid by such Owner who has violated or breached any of the provisions of this Article VI or any of the Rules and Regulations, shall constitute an Individual Assessment to such Owner pursuant to Section 8.05 below and, if the same is not paid when due, shall be subject to the lien provided for in Sections 8.01 and 8.07 below and be subject to foreclosure as provided for therein. Notwithstanding anything provided herein to the contrary, the rights and remedies of the ARC and the Association set forth in this Section 6.16 shall not be deemed exclusive of any other rights and remedies which the ARC or the Association may exercise at law or in equity or any other rights and remedies specified in this Declaration.

ARTICLE VII

MAINTENANCE RESPONSIBILITIES

7.01 **RESPONSIBILITIES OF OWNERS.**

(a) Unless specifically identified herein as being the responsibility of the Association, the maintenance and repair of all Lots, Dwellings, all other Improvements situated thereon or therein and all lawns, landscaping and grounds on or within a Lot or Dwelling shall be the responsibility of the Owner of such Lot or Dwelling. Each Owner shall be responsible for maintaining his or her Lot and Dwelling in a neat, clean and sanitary condition, both inside and outside of any Dwelling or other Improvements thereto. Such responsibilities shall include, without limitation, maintaining at all times appropriate paint and stain finishes on all Dwellings and other Improvements and reroofing or replacing roofing shingles when the same become worn or would be replaced by a prudent Owner or as may be required by the ARC. No exterior changes, alterations or Improvements shall be made to any Lot or Dwelling without first obtaining the prior written approval of the same from the ARC.

(b) Each Lot or Dwelling shall be landscaped in accordance with plans and specifications approved by the ARC pursuant to Section 5.06 above. All areas of any Lot or Dwelling which are not improved by the construction of a Dwelling thereon shall at all times be maintained by the Owner thereof in a fully and well kept landscaped condition utilizing ground cover and/or shrubbery and trees. The maintenance obligations set forth in this Section 7.01(b) shall apply to all portions of a Lot or Dwelling up to the edge of the pavement of the roadway abutting such Lot or Dwelling and shall be applicable at all times either prior, during or after the construction of any Improvements thereon. Grass, hedges, shrubs, vines and any other vegetation of any type on any Lot or Dwelling shall be cut and trimmed at regular intervals at all times in order to maintain the same in a neat, safe and attractive

condition. Trees, shrubs, vines, plants and other vegetation which die shall be promptly removed and replaced with living plants of like kind and quantity. Dead vegetation, stumps, weeds, trash, refuse, rubbish, debris, garbage and waste material shall be promptly removed from any Lot or Dwelling and properly disposed of outside of the Property. In no event shall any dead trees, shrubs, vines, plants or other vegetation, leaves, grass clippings, limbs, dirt or any rubbish, debris, trash, refuse, garbage or waste be allowed to accumulate on any Lot or Dwelling nor shall any Owner or Occupant place, deposit or discard any of the foregoing items on or within any of the Common Areas or any other portion of the Property.

(c) No Owner shall decorate, change or otherwise alter the appearance of any portion of the exterior of any Lot or Dwelling or the landscaping, grounds or other Improvements within a Lot or Dwelling unless such decoration, change or alteration is first approved, in writing, by the ARC.

7.02 RESPONSIBILITIES OF ASSOCIATION.

(a) Except as otherwise provided in this Declaration to the contrary, the Association shall, to the extent it has received sufficient sums from the Owners through Assessments, maintain and keep in good repair and condition all portions of the Common Areas. The Association shall not be liable for injuries or damages to any person or property (i) caused by the elements, acts of God or any Owner, Occupant or other person, (ii) resulting from any surface or subsurface conditions or which may be caused by rain or other surface water which may leak or flow from any portion of the Common Areas onto a Lot or Dwelling or (iii) resulting from thief, burglary or other illegal entry onto the Property or any Lot or Dwelling. No diminution or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken by or performed by the Association hereunder or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association or from any action taken by the Association to comply with any requirements of the Governmental Authorities.

(b) In the event that the Board determines that (i) any Owner has failed or refused to discharge properly his, her or its obligations with regard to the maintenance, cleaning, repair or replacement of items for which he, she or it is responsible hereunder or (ii) any maintenance, cleaning, repair or replacement for which the Association is responsible hereunder is caused by either the negligence or willful act of an Owner or Occupant, or their respective family members, guests, servants, employees, invitees or contractors, and the costs of such maintenance, cleaning, repair or replacement are not paid in full from insurance proceeds, if any, received by the Association with respect thereto, then, in either event, the Association, in addition to the exercise of any of the rights and remedies set forth in this Declaration, may give such Owner written notice of the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner and setting forth in reasonable detail what action is deemed necessary. Except in the event of emergency situations, such Owner shall have seven (7) days within which to complete the same in a good and workmanlike manner or, if the same is not capable of completion within such seven (7) day period, to commence such maintenance, cleaning, repair or replacement and to proceed diligently with the completion of the same in a good and workmanlike manner. In the event of emergency situations or the failure by any Owner to comply with the provisions hereof after such notice, the Association may provide (but shall not be obligated to provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner, said cost shall be a personal obligation of such Owner, shall constitute an Individual Assessment to such Owner and shall be subject to the lien and foreclosure rights granted pursuant to Sections 8.01 and 8.07 below. If, and to the extent that, the Association undertakes any action pursuant to this Section 7.02(b) on behalf of any Owner, then all costs and expenses incurred by or on behalf of the Association, including, without limitation, reasonable administrative costs and expenses, attorneys' fees and court costs, if any, shall be due and payable by such Owner and such costs and expenses shall be

deemed to constitute Individual Assessments and shall be recoverable by the Association in accordance with the terms and provisions of this Declaration.

ARTICLE VIII

ASSESSMENTS

8.01 ASSESSMENTS AND CREATION OF LIEN. Each Owner of a Lot and each Owner of a Dwelling, by acceptance of a deed or other instrument conveying any interest therein, regardless of whether such deed or instrument contains a reference to this Declaration, is hereby deemed to covenant and agree to pay to the Association (a) Annual Assessments, as established and to be collected as provided in Section 8.03 below, (b) Special Assessments, to be established and collected as provided in Section 8.04 below, and (c) Individual Assessments which are established or assessed pursuant to Section 8.05 below. All Assessments, together with late charges and interest at the Applicable Rate, as provided in Section 8.07(a) below, and all court costs and attorneys' fees and expenses incurred by the Association to enforce or collect such Assessments shall be an equitable charge and a continuing lien upon each Lot or Dwelling for which the Owner thereof is responsible for the payment of the same, which lien may be enforced in the manner provided in Section 8.07(c) below. Each Owner shall be personally liable for the payment of all Assessments coming due while he or she is the Owner of a Lot or Dwelling and his or her grantee shall take title to such Lot or Dwelling subject to the equitable charge and continuing lien therefore, but without prejudice to the rights of such grantee to recover from his or her grantor any amounts paid by such grantee to the Association which were the legal obligations of the grantor. All Assessments, together with late charges and interest at the Applicable Rate, as specified in Section 8.07(a) below, court costs and attorneys' fees and expenses incurred with respect thereto by the Association shall also be a personal obligation of the person who was the Owner of the Lot or Dwelling at the time such Assessments and other costs and charges were assessed or incurred. In the event of co-ownership of any Lot or Dwelling, all of the co-owners shall be jointly and severally liable for the entire amount of such Assessments. Each Multi-Family Dwelling on a Lot shall be considered a separate Dwelling and each such Multi-Family Dwelling shall be subject to Assessments. All Assessments shall commence as to each Lot or Dwelling as provided in Section 8.06 below and be paid in such manner and on such dates as may be fixed by the Board. All Assessments shall be payable in all events without offset, diminution or abatement by reason of fire or other casualty or any taking as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof with respect to any Lot, Dwelling, Common Area or any other portion of the Property or any other cause or reason of any nature. The Annual Assessments and Special Assessments shall be used for the general purposes of promoting the recreational, health, safety, welfare, common benefit and enjoyment of the Owners and Occupants of the Property and otherwise for the general upkeep and maintenance of the Property, including, specifically, the Common Areas thereto, all as may be more specifically authorized from time to time by the Board. Notwithstanding anything provided herein to the contrary, each Owner and Occupant does hereby acknowledge and agree that certain portions of the Annual Assessments and the Special Assessments as well as certain Common Expenses to be incurred by the Association may not benefit all of the Owners and Occupants equally but that the levy of such Annual Assessments and Special Assessments and the incurrence of Common Expenses shall be deemed to be for the benefit of all of the Property.

8.02 UNIFORM RATE OF ASSESSMENTS.

(a) Subject to the provisions of Section 8.10 below, both Annual and Special Assessments, as described in Sections 8.03 and 8.04 below, shall be assessed against each Lot or Dwelling at a uniform rate, with the Owner of each Lot or each Dwelling being required to pay his or her prorata portion of such Annual Assessments and Special Assessments, as determined by a fraction, the

numerator of which shall be the total number of Lots or Dwellings owned by such Owner and the denominator of which shall be the total number of Lots and Dwellings within the Property at the time such Annual Assessments or Special Assessments are levied. To the extent any Lot contains Multi-Family Dwellings, then each Multi-Family Dwelling situated on such Lot shall be considered a Dwelling and shall be subject to Assessments.

(b) Each Owner of a Lot or Dwelling, by acceptance of a deed to such Lot or Dwelling, acknowledges and agrees that the Annual Assessments and Special Assessments payable by such Owner are subject to change, modification, increase or decrease, respectively, in the event that (i) any Additional Property is added to the Property or any Lots or Dwellings are combined, subdivided or resubdivided pursuant to Sections 2.05 or 6.12 above or (ii) any portion of the Property becomes Common Areas.

8.03 COMPUTATION OF ANNUAL ASSESSMENTS.

(a) The Board shall determine and approve annually an annual budget covering the estimated Common Expenses for the Property for the upcoming year, such budget to include (i) a capital contribution or reserve account, if necessary, for the capital needs of the Association and (ii) the amount of Annual Assessments which shall be payable by each Lot or Dwelling. The amount set forth in such budget shall constitute the aggregate amount of Annual Assessments for all of the Property for the then applicable year and each Owner shall, subject to the provisions of Section 8.10 below, pay his or her prorata share of the same as provided in Section 8.02 above. As used herein, the term "Annual Assessments" with respect to each Lot or Dwelling shall mean the prorata portion of the Common Expenses payable each calendar year by each Owner in accordance with the provisions of Section 8.02 above and this Section 8.03. A copy of the budget setting forth the amount of Annual Assessments to be levied against the Lots and Dwellings for the following year shall be delivered to each Owner upon written request of any such Owner.

(b) If any budget or the amount of Annual Assessments collected by the Association at any time proves to be inadequate or insufficient for any reason to fully pay all costs and expenses of the Association and all Common Expenses, then the Board may call a meeting of the Association for the purpose of approving Special Assessments as provided in Section 8.04 below. If the actual amount of Annual Assessments collected in any one year exceeds the actual costs incurred for Common Expenses for such year, the excess shall be retained by the Association as a reserve for subsequent years' Common Expenses.

(c) The Common Expenses to be funded by the Annual Assessments may include, but shall not be limited to, the following:

(i) Salaries, fringe benefits and other compensation paid and out-of-pocket expenses reimbursed by the Association for its employees, agents, officers, members of the Board and any third party contractors;

(ii) Management fees and expenses of administration, including legal and accounting fees, incurred by or on behalf of the Association;

(iii) Utility charges for any utilities serving any of the Common Areas and charges for other common services for the Property, including, without limitation, street lighting, trash collection and security services;

(iv) The costs of any insurance policies purchased for the benefit of the Association as required or permitted by this Declaration, including, without limitation, fire, flood and other hazardous coverage, public liability coverage and such other insurance coverage as the Board determines to be in the best interest of the Association, including errors and omissions insurance, directors' and officers' liability insurance and any other liability insurance coverage for the benefit of the Association, the members of the Board, any officers, employees, agents or representatives of the Association (including members of the ARC);

(v) The expenses of maintaining, operating, repairing and replacing all portions of the Common Areas and any other amenities and facilities serving the Property which the Board, in its sole discretion, determines from time to time would be in the best interest of the Association to so maintain, operate, repair or replace;

(vi) Ad valorem real and personal property taxes assessed and levied upon any of the Common Areas;

(vii) The expenses of the ARC which are not paid in full by plan review charges;

(viii) The costs and expenses of installing, maintaining, repairing, purchasing, replacing and operating seasonal and holiday decorations and lighting for any of the Property;

(ix) The costs and expenses for conducting, promoting and advertising recreational, social, cultural or other related programs, as well as street fairs, festival and other events for the benefit of the Owners and Occupants as well as the general public;

(x) All other fees, costs and expenses incurred by the Association in accordance with the terms and provisions of this Declaration or which the Board, in its sole and absolute discretion, determines to be appropriate to be paid by the Association, including, without limitation, taxes and governmental charges not separately assessed against Lots or Dwellings; and

(xi) The establishment and maintenance of a reasonable reserve fund or funds (1) for inspections, maintenance, repair and replacement of any portions of the Common Areas for which the Association is responsible to inspect, maintain, repair or replace on a periodic basis, (2) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds, (3) to cover unforeseen operating contingencies or deficiencies arising from unpaid Assessments as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board and (4) for the payment of future Common Expenses.

8.04 **SPECIAL ASSESSMENTS.** In addition to the Annual Assessments authorized in Section 8.03 above and the Special Assessments authorized in Sections 9.01(b) and 9.03(a)(i) below, the Board may levy in any year Special Assessments for Common Expenses or any extraordinary costs incurred by the Association, including, without limitation, costs which have been, are or will be incurred for capital improvements which are not paid for from Annual Assessments; provided, however, that any such Special Assessments (other than Special Assessments levied pursuant to Sections 9.01(b) and 9.03(a)(i) below) must be approved by a majority vote of those members of the Association (*i.e.*, Owners) who are "in good

standing", as defined in the Bylaws, and who are voting at a duly convened meeting of the Association or in a ballot vote by the members of the Association held in accordance with the provisions of the Bylaws. As used herein, the term "Special Assessments" shall mean those assessments made to all Owners pursuant to this Section 8.04 or Sections 9.01(b) and 9.03(a)(i) below. The Board may make such Special Assessments payable in one lump sum or in installments over a period of time which may, in the Board's discretion, extend beyond the then fiscal year in which said Special Assessments are levied and assessed. Special Assessments shall be levied against and payable by each Owner in accordance with the provisions of Section 8.02 above.

8.05 INDIVIDUAL ASSESSMENTS. The Association may, in its sole discretion, at any time and from time to time levy and assess as individual assessments (collectively, "Individual Assessments") against any Lot or Dwelling: (a) fines against an Owner and such Owner's Lot or Dwelling in accordance with the terms and provisions of this Declaration, (b) any costs or expenses, including, without limitation, collection costs, professional engineering and architectural fees and expenses, attorneys' fees and expenses, court costs and any administrative costs and expenses incurred by or on behalf of the ARC or the Association as a result of the failure of any Owner, Occupant or their respective family members, agents, guests, servants, employees, invitees and contractors, to at all times observe and perform their respective duties and obligations under this Declaration, including, without limitation, any such costs and expenses incurred by the ARC or the Association pursuant to Sections 5.12, 6.16, 7.02(b), 8.07, 11.01, 11.02 or 11.03 hereof, (c) any fees, charges and other costs incident to the use of any of the Common Areas for which a charge for the use thereof has been established by the Board, and (d) any costs, charges or other amounts payable by any Owner for any special services which the Association and such Owner may have contracted for which have been or will be provided to such Owner by the Association. The Individual Assessments provided for in this Section 8.05 shall be levied by the Board and the amount and due date of such Individual Assessment shall be specified by the Board in a notice to such Owner (or, as provided in Section 8.10 below, to any Sub-Association in which such Owner is a member), which due date shall be no later than 30 days from the date of such notice or billing invoice for such Individual Assessment.

8.06 DATE OF COMMENCEMENT OF ASSESSMENTS. Assessments shall commence as to each Lot or Dwelling on the day on which such Lot or Dwelling is conveyed to a person other than Developer or any Affiliate thereof and shall be due and payable in such manner and on such schedule as may be established from time to time by the Board, subject to proration for the remainder of the then calendar year in which such Lot or Dwelling was conveyed to a person other than Developer or any Affiliate thereof. Notwithstanding anything provided herein to the contrary, Developer shall have the option, in its sole discretion, to either pay Annual Assessments on Lots or Dwellings owned by Developer or fund the actual cash deficits which may exist between the total amount of Annual Assessments assessed to all other Owners and the actual costs incurred by the Association for Common Expenses (exclusive of funding of reserves) in any particular year; provided, however, that Developer shall have no obligations to fund any reserves established from time to time by the Association or the Board. To the extent Developer elects to fund the actual cash deficits, then such funding may occur at any time during a calendar year (which may be at the end of any calendar year), as determined by Developer, in its sole and absolute discretion. At such time as Developer no longer has any interest in any Lot or Dwelling, Developer shall have no further obligation of any nature to pay any Assessments or otherwise fund any deficits relating to the Common Expenses or the maintenance of the Common Areas.

8.07 EFFECT OF NON-PAYMENT; REMEDIES OF THE ASSOCIATION.

(a) Each Owner of a Lot or Dwelling is and shall be deemed to covenant and agree to pay to the Association all Assessments provided for herein. The Association shall provide written notice or a billing invoice to each Owner setting forth the amount of the Assessments due and payable by

such Owner and the due date for payment of such Assessments (which due date shall, with respect to Annual Assessments and Special Assessments only, be at least 30 days from the date of such notice or billing invoice). Any Individual Assessments levied or assessed against any Owner shall be separately assessed by a written notice or billing invoice sent directly by the Association to such Owner and such Individual Assessment shall be due and payable no later than 30 days from the date of such notice or billing invoice. In the event any Assessments or any portions thereof are not paid in full by the due date for such Assessments, then (i) the Owner of such Lot or Dwelling shall be deemed in default hereunder and (ii) a late fee in the amount of \$25.00 (which amount shall be subject to increase from time to time and at any time, as determined by the Board, in its sole discretion) shall automatically be levied and assessed against such Owner and such Owner's Lot or Dwelling. In addition, if any Assessments or any portion thereof (including late fees) are not paid in full within 30 days following the due date for the payment of such Assessments, then the unpaid portion of the Assessment (including the late fee) shall accrue simple interest at the lesser of eighteen percent (18%) per annum or the highest rate which may be charged to said Owner by law (the "Applicable Rate") from and after the 30th day following the due date of such Assessments until the same has been paid in full. In the event the Association employs an attorney or otherwise takes any legal action in attempting to collect any amounts due from any Owner, such Owner agrees to pay all attorneys' fees and expenses, court costs and all other expenses paid or incurred by the Association. The lien and equitable charge upon each Lot or Dwelling for Assessments shall also include all late fee charges, interest at the Applicable Rate and all attorneys' fees, court costs and all other expenses paid or incurred by the Association in attempting to collect any unpaid Assessments.

(b) In the event any Assessments are not paid by any Owner within 30 days following the due date for the payment of such Assessments, then, in addition to all other rights and remedies provided at law or in equity, the Association, acting through its Board or through any of its officers or authorized representatives, may at any time thereafter undertake any or all of the following remedies:

(i) The Association may commence and maintain a suit at law against an Owner to enforce such charges and obligations for Assessments and any such judgment rendered in any such action shall include the then applicable late fee charge and interest at the Applicable Rate, together with attorneys' fees and expenses, court costs and all other expenses paid and incurred by the Association in collecting such unpaid Assessments; and/or

(ii) The Association may enforce the lien created pursuant to Sections 8.01, 8.07(c) and 8.10 hereof in the manner hereinafter provided.

(c) There is hereby created a continuing lien on each Lot and Dwelling, with power of sale, in favor of the Association, which secures the payment to the Association of any and all Assessments levied against or upon such Lot or Dwelling, all late fees or charges, interest at the Applicable Rate and all attorneys' fees and expenses, court costs and all other expenses paid or incurred by the Association in collecting any Assessments. If any portion of any Assessments remains unpaid for more than 30 days following the due date for the payment of such Assessments, then, at any time thereafter, the Association, through the Board or any officer or authorized representative thereof, may, but shall not be obligated to, make written demand on such defaulting Owner, which demand shall state the date and amount of delinquency. Each default shall constitute a separate basis for a demand and claim of lien, but any number of defaults may be included in a single demand. If such delinquency is not paid in full within ten (10) days after the giving of such demand or, even without giving demand, the Association may file a claim of lien and perfect its lien against the Lot or Dwelling of such delinquent Owner, which claim shall be executed by any member of the Board or any officer of the Association, contain the following information and be recorded in the Probate Office:

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

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

(d) In addition to the other rights and remedies provided herein, in the event any Owner fails to pay any Assessments within 30 days from the statement billing date for such Assessments, then the Association shall have the right to suspend the privileges of such Owner, his or her Occupants, family members, guests and invitees from using any of the Recreational Facilities, if any.

8.08 SUBORDINATION OF LIEN. Notwithstanding anything provided herein to the contrary, but subject to the remaining terms and provisions of this Section 8.08, the lien for Assessments and other charges authorized herein with respect to any Lot or Dwelling is and shall be subordinate to the lien of any Mortgage held by any Mortgagee, but only to the extent that the Mortgage held by any such Mortgagee is recorded in the Probate Office prior to the filing of a claim of lien by the Association pursuant to Section 8.07(c) above. When a Mortgagee exercises its foreclosure rights provided in its Mortgage and acquires title to or sells to a third party its interest in any Lot or Dwelling at a foreclosure sale, then such Mortgagee or its purchaser or transferee at such foreclosure sale shall (a) be liable for not more than six (6) months of Annual Assessments which may be past due and owing at the time of the foreclosure of such Mortgage, (b) subject to the provisions of item (a) above, not be liable for any unpaid Assessments other than as provided in item (a) above, or any other charges incurred prior to the date of transfer or acquisition of title by foreclosure so long as the Mortgage held by such Mortgagee was recorded in the Probate Office prior to the filing of a claim of lien by the Association pursuant to Section 8.07(c) above, and (b) be liable for all Assessments and other charges levied, assessed or incurred with respect to such Lot or Dwelling from and after the date of such foreclosure sale. The foregoing shall not relieve any Owner whose Lot or Dwelling has been foreclosed from the personal obligation to pay all Assessments and other charges levied, assessed or incurred by the Association and the Association shall have the right to pursue all rights and remedies against a defaulting Owner notwithstanding the foreclosure of a Mortgage by Mortgagee on such Owner's Lot or Dwelling.

8.09 **CERTIFICATES.** The Association (or any officer or authorized representative thereof) shall, upon request and at such reasonable charges as may from time to time be adopted by the Board, furnish to any Owner a certificate in writing setting forth whether the Assessments for which such Owner is responsible have been paid and, if not paid, the outstanding amount due and other costs and expenses due from such Owner. Such certificate shall be conclusive evidence of payment of any Assessments stated therein.

8.10 **ASSESSMENTS WITH REGARD TO MULTI-FAMILY DWELLINGS.**

(a) To the extent any Multi-Family Building is subject to a Sub-Declaration which also has a Sub-Association, then the Association may elect to directly bill the Sub-Association for Annual Assessments and Special Assessments and, as provided in Section 8.10(b) below, Individual Assessments, payable by the Owners of all Multi-Family Dwellings within such Multi-Family Building and such Sub-Association shall be obligated to collect from the Owners of all Multi-Family Dwellings which are subject to the Sub-Declaration under which such Sub-Association was formed all such Assessments and promptly remit the same to the Association in accordance with the billing requirements of the Association.

(b) To the extent the Association levies an Individual Assessment against all of the Multi-Family Dwellings situated on one (1) Lot as a result of (i) a violation by the Sub-Association of any of the terms and provisions of this Declaration, (ii) any fees, charges and other costs incident to the use of the Common Areas for which a charge for the use thereof has been established by the Board which is applicable to all Multi-Family Dwellings in the Multi-Family Building for which such Sub-Association has been created or (iii) any special services being rendered by the Association to the Sub-Association or to all Owners who are members of such Sub-Association, then, in any such event, (1) the Sub-Association shall be obligated to pay such Individual Assessments for all Owners of Multi-Family Dwellings subject to the Sub-Declaration for which such Sub-Association was created and (2) each Owner of each Multi-Family Dwelling in the Multi-Family Building for which such Sub-Association has been created will be subject to an Individual Assessment and a lien, as provided in Section 8.10(c) below, for such Individual Assessment.

(c) The Association is hereby granted a continuing lien, with power of sale, upon each Multi-Family Dwelling which is subject to an Individual Assessment as provided in Section 8.10(b) above, which lien secures the payment of all such Individual Assessments payable by the Sub-Association to the Association. To the extent any such lien is levied upon any of the Multi-Family Dwellings, then upon the payment of the prorata amount of such Individual Assessment by the Owner of any Multi-Family Dwelling, the Association shall release its lien as to the Multi-Family Dwelling paying such Individual Assessment. The prorata share of the Individual Assessment payable by the Owner of each Multi-Family Dwelling subject to such Individual Assessment shall equal a fraction, the numerator of which is the number of Multi-Family Dwellings in the applicable Multi-Family Building owned by each such Owner and the denominator of which is the total number of Multi-Family Dwellings within the applicable Multi-Family Building which is subject to such Individual Assessment.

(d) Each Sub-Association shall be obligated to assist the Association in collecting all Assessments levied and assessed by the Association against all Multi-Family Dwellings for which such Sub-Association has been formed. In the event the Association adopts billings procedures for direct billing of Assessments to a Sub-Association as set forth in Section 8.10(a) above, then the failure of any Sub-Association to timely pay all Assessments to the Association shall constitute a default by such Sub-Association and the Association shall have the right to exercise all of the rights and remedies set forth in Sections 8.10(b) and 8.10(c) above with respect to such defaulting Sub-Association.

8.11 TRANSFER FEES..

(a) Subject to the terms and provisions of this Section 8.11(c) below, at the closing of the transfer of title of each Lot by Developer to the first Owner of such Lot, such first Owner shall contribute and pay to the Association a transfer fee equal to the greater of (i) \$500.00 per Lot or (ii) two (2) months of the Annual Assessments then payable by such Lot for the then current calendar year. Such contribution shall be paid directly to the Association and may be utilized by the Association for the payment of any costs and expenses and shall **not** be considered to be a prepayment of any Annual Assessments.

(b) Subject to the terms and provisions of Section 8.11(c) below, at the closing of each subsequent conveyance (or resale) of any Lot by any Owner, including any conveyance by the first Owner to a third party purchaser, each such third party purchaser of any Lot shall also be required to contribute and pay to the Association a transfer fee equal to the greater of (i) \$500.00 per Lot or (ii) two (2) months of the Annual Assessments then payable by such Lot for the then current calendar year. Such contribution may be utilized by the Association for the payment of any costs and expenses of the Association and shall **not** be considered a prepayment of any Annual Assessments.

(c) Notwithstanding anything provided in this Declaration to the contrary, the transfer fees specified in Sections 8.11(a) and 8.11(b) above shall not (i) be applicable to or payable by (i) the Association, to the extent the Association purchases a Lot in any foreclosure proceeding pursuant to the provisions of Section 8.07 above or (ii) be payable by Developer or any Affiliates thereof in connection with the transfer and conveyance of any Lots by Developer or any of its Affiliates to Developer or any of its Affiliates.

8.12 EXEMPTIONS FROM ASSESSMENTS.

(a) Notwithstanding anything provided in this Declaration to the contrary, the following portions of the Property shall be exempt from the payment of Annual Assessments and Special Assessments:

(i) Any and all Common Areas and any other real property owned by Developer which is considered by Developer to be Common Areas;

(ii) Any portion of the Property which is owned by any Government Authority or public utility company; and

(iii) Any other portions of the Property (and any Lots or Dwellings thereon) which Developer or the Board may from time to time designate as being exempt from the payment of Annual Assessments and Special Assessments.

Developer may also grant to any Lots or Dwellings partial exemptions with respect to the payment of Annual Assessments and Special Assessments.

(b) To the extent any portion of the Property is exempt, in whole or part, from Annual Assessments and Special Assessments, then such portion of the Property so exempt shall, except as provided below, not be entitled to any voting rights in the Association. Notwithstanding the foregoing provisions of this Section 8.12(b) to the contrary, Developer shall have the voting rights attributable to any Lots or Dwellings owned by Developer irrespective of the same being exempt from Annual Assessments and Special Assessments.

ARTICLE IX
CASUALTY, CONDEMNATION AND INSURANCE

9.01 DAMAGE OR DESTRUCTION TO COMMON AREAS.

(a) In the event of any damage or destruction to any of the Common Areas by fire or other casualty, then, subject to the terms and provisions of this Article IX, the Association shall promptly repair, replace and restore the damaged portions of the Common Areas to the condition to which they existed immediately prior to such fire or other casualty.

(b) Notwithstanding anything to the contrary provided in Section 9.01(a) above, in the event the amount of insurance proceeds, if any, recovered as a result of such damage or destruction is insufficient to fully repair, replace and restore the damaged portions of the Common Areas, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, then the Board may (but without any obligation to do so) levy a Special Assessment against all Owners, without the necessity of a vote of the Owners approving or disapproving the same, which such Special Assessments shall be (i) in an amount sufficient to provide funds to pay the remaining costs necessary to repair, replace or restore the Common Areas to the condition as existed immediately prior to such fire or other casualty and (ii) levied against each Owner equally as provided in Section 8.02 above. Any and all insurance proceeds received by the Association on account of any damage to or destruction of any of the Common Areas or any sums paid to the Association under or by virtue of such Special Assessments shall be held by and for the benefit of the Association and shall be disbursed by the Association in payment for the costs of such repair or restoration in such manner as may be determined by the Board. In no event shall the Owner or Mortgagee of any Lot or Dwelling be entitled to any portion of the proceeds of insurance payable as a result of the damage to or destruction of any portion of the Common Areas.

(c) Notwithstanding anything provided in this Article IX to the contrary, if, following any fire or other casualty which damages or destroys any of the Common Areas, the Board determines that is not economically feasible to repair, restore or replace any Common Areas or that the repair, restoration or replacement of such Common Areas is not essential for the benefit of the Owners, then the Board may elect not to repair such Common Areas in which event the insurance proceeds, if any, paid with respect to such fire or other casualty shall be retained by the Association. In no event shall the Owner or Mortgagee of any Lot or Dwelling be entitled to any portion of the proceeds of insurance payable as a result of the damage to or destruction of any portion of the Common Areas.

9.02 DAMAGE OR DESTRUCTION TO LOTS OR DWELLINGS. In the event of any fire or other casualty which damages or destroys any portion of any Lot or Dwelling, then the Owner of such damaged Lot or Dwelling shall promptly repair and otherwise restore such Lot or Dwelling to the condition to which the same existed immediately prior to such fire or other casualty; provided, however, that any such restoration or repair shall be subject to compliance with all of the terms and provisions set forth in Articles V and VI above and all then applicable rules, regulations, statutes and ordinances of the Governmental Authorities. Any such restoration or repair shall be commenced within one hundred eighty (180) days following the occurrence of such fire or other casualty and shall be diligently prosecuted to completion without further delay in accordance with all of the terms and provisions of this Declaration.

9.03 CONDEMNATION OF COMMON AREAS.

(a) In the event of the taking of all or any portion of any of the Common Areas as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof, then the award from such taking or sale in lieu thereof shall be paid to the Association and shall be disbursed or held as follows:

(i) To the extent the Common Areas subject to such taking can either be restored or replaced, then, to the extent practicable, the Board is hereby empowered, authorized and directed to take such action, including the purchase of any remaining lands within the Property or the utilization of any other Common Areas within the Property, to restore, rebuild or replace, as the case may be, those portions of the Common Areas subject to such taking. If the award is insufficient to fully defray the cost of such repair or replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, then the Board may levy a Special Assessment against all Owners, without the necessity of a vote of the Owners approving or disapproving the same, which such Special Assessments shall be (1) in an amount sufficient to provide funds to pay the remaining costs of repair, restoration or reconstruction and (2) levied against each Owner equally as provided in Section 8.02 above; and

(ii) To the extent the Common Areas subject to such taking cannot be restored or replaced or additional lands within the Property cannot be purchased by the Association in order to repair, replace or restore the Common Areas so taken or if the Board shall determine that the portions of the Common Areas so taken should not be replaced or restored, then in any such event, the net award from such taking shall be retained by and for the benefit of the Association.

(b) If any portion of the award from any taking remains after restoration or replacement of any of the Common Areas, the remainder of such award shall be retained by and for the benefit of the Association, without any claim thereto by any Owner. Except as specifically provided in Section 9.03(c) below, no Owner or Mortgagee of any Lot or Dwelling shall be entitled to any portion of the award made to the Association as a result of the taking of any portion of the Common Areas.

(c) If any such taking or sale in lieu thereof includes all or any part of a Lot or Dwelling and also includes any part of the Common Areas, then the award from such taking shall be equitably apportioned in accordance with the decision of a court of competent jurisdiction and such award shall be disbursed separately to the Association and to the Owners so affected by such taking; provided, however, that the Owners of any Lot or Dwelling which is subject to any such taking and the Board may mutually agree on the amount of such apportionment, which mutual agreement shall be binding on all Owners.

9.04 **CONDEMNATION OF LOTS OR DWELLINGS.** In the event that all or any portion of a Lot or Dwelling is taken as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof, then, to the extent practicable, the Owner of such Lot or Dwelling shall promptly repair, reconstruct, rebuild and otherwise restore the remaining portions of the Lot or Dwelling as nearly as practicable to the condition to which the same existed immediately prior to such taking; provided, however, that any such restoration shall be subject to all of the terms and conditions set forth in Articles V and VI above and all then applicable rules, regulations, statutes and ordinances of the Governmental Authorities. In the event the restoration of such Lot or Dwelling is impracticable or would otherwise violate any of the terms and provisions of this Declaration, then such Owner shall promptly clear away any remaining Improvements damaged or destroyed by such taking and shall leave such Lot or Dwelling and any remaining Improvements thereon in a clean, orderly, safe and sightly condition.

9.05 **INSURANCE.**

(a) The Board shall have the authority to obtain and maintain at all times any and all insurance coverages, in such form and with such insurance carriers as the Board may from time to time deem appropriate for the benefit of the Association including, without limitation, extended coverage, flood, vandalism, malicious mischief, public liability, workmen's compensation, employer's liability insurance, directors' and officers' liability insurance and any and all other types of insurance coverage as determined by the Board in its sole and absolute discretion.

(b) Each Owner shall be solely responsible for obtaining and maintaining public liability, property damage, title and all other types of insurance with respect to his or her Lot, Dwelling and all other Improvements situated thereon. Each Owner, by acceptance of a deed to or other conveyance of any interest in any Lot or Dwelling, does hereby waive and release the Association, the ARC, Developer and their respective agents, employees, representatives, partners, shareholders, members, officers and directors from any and all liabilities or responsibilities or any other claims by or through such Owner, by way of subrogation or otherwise, for any loss or damage covered by (or which should be covered by) broad form fire and extended coverage insurance (or homeowner's insurance coverage) and comprehensive public or general liability insurance coverage maintained or which should be maintained by any Owner as required herein, even if such loss or damage has been caused by the fault or negligence of the Association, the ARC, Developer or any of their respective agents, employees, representatives, partners, shareholders, members, officers or directors.

ARTICLE X

TERM AND AMENDMENTS

10.01 **TERM.** The terms, covenants, conditions and restrictions set forth in this Declaration shall run with and bind all of the Property, shall inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, personal representatives, administrators, successors and assigns, and shall be and remain in effect for a period of ninety-nine (99) years from and after the date hereof, after which time this Declaration shall be automatically renewed and extended for successive and continuous periods of ten (10) years each, unless, at any time after ninety-nine (99) years from the date hereof, an agreement executed by at least eighty percent (80%) of those Owners "in good standing", as defined in the Bylaws, who are voting either in person or by proxy at either a duly constituted meeting of the Owners held in accordance with the terms and provisions of the Bylaws or in a ballot vote submitted to the Owners pursuant to the terms and provisions of the Bylaws, agreeing to terminate or modify this Declaration has been recorded in the Probate Office; provided, however, that the rights of way and easements established, granted and reserved in Article III hereof shall continue and remain in full force and effect for the time periods and duration specified therein.

10.02 **AMENDMENTS PRIOR TO TURNOVER DATE.** Until the occurrence of the Turnover Date, Developer may, in its sole discretion, amend this Declaration by a written instrument filed and recorded in the Probate Office without obtaining the approval of any Owner or Mortgagee; provided, however, that in the event any amendment proposed by Developer materially and adversely alters or changes the rights of any Owner to the use of his or her Lot or Dwelling, as determined solely by Developer, in its reasonable discretion, then such amendment shall be valid only upon the written consent or ballot vote of both (a) Developer and (b) at least sixty-seven percent (67%) of those Owners (including Developer who shall have the voting rights attributable to any Lots or Dwellings owned by Developer) who are "in good standing" and are voting either in person or by proxy at either a duly constituted meeting of the Owners held in accordance with the terms and provisions of the Bylaws or in a ballot vote submitted to the Owners pursuant to the terms and provisions of the Bylaws. Notwithstanding anything provided to the contrary in this Section 10.02, each Owner, by acceptance of a deed to any Lot or Dwelling, and each

Mortgagee, by acceptance of a Mortgage encumbering any Lot or Dwelling, acknowledges and agrees that (i) any amendments to this Declaration made by Developer pursuant to Sections 2.02, 2.03 and 2.07 above and (ii) any amendments to this Declaration to reflect the resubdivision of any Lots or Dwellings pursuant to Sections 2.05, 2.06 and 6.12 above, shall not and do not constitute a material and adverse alteration or change in or to the rights of any Owner to the use of his or her Lot or Dwelling and shall not require the consent or approval of any Owner or Mortgagee. Any amendments to this Declaration made pursuant to this Section 10.02 shall be certified by Developer and shall be effective upon recording of the same in the Probate Office. Each Owner, by acceptance of a deed to a Lot or Dwelling, and each Mortgagee, by acceptance of a Mortgage on any Lot or Dwelling, agrees to be bound by all amendments permitted by this Section 10.02. Except as specifically provided in Section 10.04 below and in this Section 10.02 (with respect to any amendments proposed by Developer which materially and adversely alter or change the rights of an Owner to the use of his or her Lot or Dwelling), at all times prior to the Turnover Date, only Developer shall have the right to amend this Declaration.

10.03 **AMENDMENTS AFTER TURNOVER DATE.** After the occurrence of the Turnover Date, amendments to this Declaration shall be proposed and adopted only by the affirmative vote of at least sixty-seven percent (67%) of those Owners (including Developer who shall have the voting rights attributable to any Lots or Dwellings owned by Developer) who are "in good standing", as defined in the Bylaws, who are voting either in person or by proxy at either a duly constituted meeting of the Owners held in accordance with the terms and provisions of the Bylaws or in a ballot vote submitted to the Owners pursuant to the terms and provisions of the Bylaws. Any other attempt to amend this Declaration shall be deemed null and void. Any and all amendments which have been approved in accordance with the terms and provisions of this Section 10.03 shall be executed by all parties whose consent to the same is required; provided, however, that in the alternative, the sworn statement of the President of the Association or by the Chairman of the Board, if any, stating unequivocally that the agreement of the requisite number of Owners was lawfully obtained may be attached to and incorporated into such amendment without joinder of any of the Owners. Any such amendment shall be effective upon recording of the same in the Probate Office.

10.04 **RESTRICTIONS ON AMENDMENT.** Notwithstanding anything provided herein to the contrary, none of the terms and provisions of Articles II and III hereof may be amended or modified in any respect without the prior written consent and approval of Developer.

ARTICLE XI

DENIAL OF USE PRIVILEGES AND REPURCHASE OPTION

11.01 **AUTHORITY AND ENFORCEMENT.** In addition to the other rights and remedies provided elsewhere in this Declaration, in the event any Owner or Occupant or their respective agents, contractors or invitees, violates any of the provisions of this Declaration, the Architectural Standards, the Articles of Incorporation, the Bylaws or any of the Rules and Regulations, then the Board shall have the power and right, at its option, to (a) impose monetary fines which shall constitute an Individual Assessment, (b) suspend an Owner's right, if any, to vote in the Association and (c) suspend or terminate an Owner's or Occupant's privilege (and the privilege of such Owner's or Occupant's family members, guests and tenants) to use all or any of the Common Areas. Any action to be taken by the Board pursuant to this Section 11.01 shall be subject to the satisfaction of the terms and provisions of Section 11.02 below.

11.02 **PROCEDURE.**

(a) In the event any of the terms or provisions of this Declaration, the Architectural Standards, the Articles of Incorporation, the Bylaws or any Rules and Regulations are violated by any Owner or Occupant, or the respective agents, contractors or invitees of any Owner or Occupant, the Board

shall not impose a fine, suspend voting rights or infringe upon or suspend or terminate any other rights pursuant to Section 11.01 above unless written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violations setting forth the information required by Section 11.02(b) below and providing such Owner the opportunity to appear before and be heard by the Board.

(b) Any notices required by Section 11.02(a) above shall specify:

(i) The alleged violation;

(ii) The action required to abate such violation;

(iii) A time period of not less than ten (10) days during which the violation may be abated and corrected by such Owner without further sanction if such violation is a continuing one or, if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the Architectural Standards, the Articles of Incorporation, the Bylaws or any of the rules and regulations of the Association may result in the imposition of sanctions; and

(iv) The date, which shall be no earlier than ten (10) days from the date of such written notice, time and place at which such Owner may appear before the Board and be heard.

(c) The foregoing procedure shall only be applicable to the enforcement rights specified in Section 11.01 above and shall not apply to the exercise of any of the rights and remedies specified in any other section or provision of this Declaration.

11.03 REPURCHASE OPTION.

(a) In the event (i) any Owner desires to sell, transfer, convey or exchange his or her Lot to (or with) any third party (a "Third Person") prior to the completion of a Dwelling thereon or (ii) any Owner fails to commence construction or complete construction of a Dwelling on such Owner's Lot within the time periods set forth in Section 11.03(b) below then, in either such event, Developer does hereby reserve the right, at its option (but without any obligation), to either (1) repurchase such Lot (the "Repurchase Option") in accordance with the terms and provisions of Section 11.03(c) below or (2) elect to participate in any sales proceeds received by such Owner from the transfer, sale or conveyance of such Owner's Lot in accordance with the terms and provisions of Section 11.03(d) below.

(b) Unless otherwise agreed to in writing by the Developer, each Owner shall:

(i) Within ten (10) months from the date on which such Owner purchases a Lot from Developer submit to the ARC the plans and specifications required by the terms and provisions of Section 5.05(b) above;

(ii) Within twelve (12) months from the date on which such Owner purchases a Lot from Developer, commence construction of a Dwelling on such Lot in accordance with the plans and specifications therefore which have been approved by the ARC;

(iii) Following commencement of construction, each Owner agrees to diligently pursue such construction to completion; and

(iv) On or before twelve (12) months following the date on which the ARC has approved the plans and specifications for such Dwelling, substantially complete construction of such Dwelling, including all landscaping, in accordance with the plans and specifications for the same which have been approved by the ARC.

As used herein, the term "commence construction" shall mean the commencement by such Owner of construction of a Dwelling on such Lot by substantially clearing, grading and excavating such Lot and otherwise commencing to make other improvements to such Lot such as, but not limited to, pouring of footings and foundations (or a concrete slab) and commencement of framing work. If, at any time after an Owner has commenced construction, such Owner fails to make significant construction progress during any 30-day period, such failure shall be considered to be a failure to diligently pursue construction as required by the terms and provisions of Section 11.03(b)(iii) hereof. A Dwelling shall be deemed to have been substantially completed upon the issuance of a final certificate of occupancy for such Dwelling by the City and the completion of all landscaping work for such Lot in accordance with landscaping plans approved by the ARC ("Substantial Completion"). Notwithstanding anything provided in this Section 11.03(b) to the contrary, all of the time periods specified in this Section 11.03(b) shall be extended for casualty, extreme material shortages, inclement weather conditions which are not normal or customary for the time of year during which construction of such Dwelling is being undertaken and any other significant matters beyond the reasonable control of an Owner (or his or her builder); provided, however, that no extension shall be granted as a result of any inability to obtain financing or funding for the construction of such Dwelling.

(c) In the event any Owner fails to commence, diligently pursue or complete construction of a Dwelling on his or her Lot in accordance with the requirements of Section 11.03(b) above, then Developer shall have the right, at any time after the expiration of any of the time periods set forth in Section 11.03(b) above, to provide written notice to such Owner exercising the Repurchase Option in accordance with the remaining terms and provisions of this Section 11.03(c). The consummation of the Repurchase Option by Developer shall occur no later than thirty (30) days after Developer has given written notice to such Owner of Developer's election to exercise the Repurchase Option. At the closing of the purchase and sale of any Lot which is being repurchased by Developer by virtue of the terms and provisions of this Section 11.03, the Owner of such Lot subject to such Repurchase Option shall transfer and convey the Lot subject to such Repurchase Option to Developer by statutory warranty deed, free and clear of all liens, encumbrances and any other matters of title other than those matters of record in existence as of the date on which such Lot was originally conveyed by Developer to the first Owner of such Lot. Such Owner shall, at his or her sole cost and expense, be obligated to pay all sums and otherwise take all action necessary or required to remove any and all liens, encumbrances and other title matters and exceptions encumbering such Owner's Lot other than any such liens, encumbrances and other title matters and exceptions in existence as of the date on which Developer conveyed such Lot to the first Owner of such Lot. Contemporaneously with the delivery of the deed by such Owner to Developer, Developer shall pay to such Owner the lesser of (i) the purchase price which such Owner has accepted to sell such Owner's Lot to a Third Person or (ii) the Original Purchase Price, as defined in Section 11.03(d) below, paid by such Owner to Developer (or if such Owner has acquired his or her Lot from a previous Owner other than Developer, then Developer shall pay to such current Owner the Original Purchase Price paid to Developer by the first or original Owner of such Lot), in each case, without interest thereon. To the extent any such Owner has entered into a contract or agreement to sell such Owner's Lot to a Third Person, then such Owner shall deliver a fully executed copy of such contract or agreement to Developer. The Owner of such Lot subject to the Repurchase Option shall pay, prior to delivery of the deed to the Developer, any and all outstanding Assessments and any other charges due and owing under this Declaration. Real estate ad valorem taxes and any prepaid Assessments shall be prorated as of the date of delivery of such deed.

(d) In the event the Owner of any Lot desires to sell, transfer or convey his or her Lot to any Third Person prior to Substantial Completion, as defined in Section 11.03(a) above, of a Dwelling thereon, then Developer shall have the right, at its option, to either (i) exercise the Repurchase Option and repurchase the Lot in accordance with the terms and provisions of Section 11.03(a) above or (ii) elect, in writing, to waive its Repurchase Option, in which event Developer shall be entitled to receive twenty-five percent (25%) of the Net Profit, as herein defined, received by such Owner from the resale of such Lot to such Third Person, which amount will be due and payable in full upon the transfer and sale of any Lot by such Owner to any Third Person, which obligation shall be a personal obligation of the Seller of such Lot (the "Sales Participation Option"). As used in this Section 11.03(d), the following terms shall have the following meanings:

(1) "Gross Resale Price" means the total amount paid to such Owner by a Third Person in connection with the resale of such Owner's Lot, including compensation in any form paid to such Owner regardless of whether the same is reflected in the Gross Resale Price for such Lot, but without deduction for any costs of sale, prorations or other deductions from the Gross Resale Price received by such Owner in any such resale;

(2) "Net Profit" means the Gross Resale Price, as herein defined, for such Lot, less the Original Purchase Price, as herein defined, for such Lot; and

(3) "Original Purchase Price" means the gross amount originally paid to Developer by the first Owner of such Lot (increased by the actual costs or fair market value, whichever is less, of any Improvements made by the then current Owner to such Lot in accordance with plans approved by the ARC) but without deduction for any costs of sale, prorations or other adjustments to the Original Purchase Price paid to Developer by the first Owner of such Lot.

(e) The Repurchase Option and the Sales Participation Option of Developer set forth herein shall be binding on the first Owner of each Lot and all of the heirs, executors, successors and assigns of such Owner and may be enforced by Developer by an action for specific performance. In the event any Owner fails to timely and promptly perform all of such Owner's obligations set forth in this Section 11.03 with respect to the exercise by Developer of the Repurchase Option or the Sales Participation Option, such Owner shall also pay to Developer any and all costs and expenses incurred by Developer in enforcing the terms and provisions of this Section 11.03 including, without limitation, reasonable attorneys' fees and expenses and court costs. The Repurchase Option and the Sales Participation Option shall be and are covenants running with the land which shall be binding on the Owner of each Lot and such Owner's heirs, executors, successors and assigns.

11.04 NON-EXCLUSIVE REMEDIES. Notwithstanding anything provided to the contrary in this Declaration, rights and remedies granted to Developer, the ARC and the Association pursuant to the terms and provisions of this Declaration upon the occurrence of any default by any Owner or the failure of any Owner to timely and completely perform all obligations required to be performed hereunder by any Owner are in addition to and shall not be deemed to limit the other rights and remedies set forth in this Declaration or which Developer, the ARC or the Association would have the right to exercise at law or in equity.

ARTICLE XII

MISCELLANEOUS PROVISIONS

12.01 **CONTROL BY DEVELOPER.** NOTWITHSTANDING ANYTHING PROVIDED TO THE CONTRARY IN THIS DECLARATION, THE ARTICLES OF INCORPORATION, THE BYLAWS OR IN ANY OTHER DOCUMENT OR INSTRUMENT RELATING TO THE PROPERTY, EACH OWNER, BY ACCEPTANCE OF A DEED TO ANY LOT OR DWELLING, AGREES THAT UNTIL THE TURNOVER DATE, DEVELOPER SHALL HAVE THE SOLE AND EXCLUSIVE RIGHT AND AUTHORITY TO (a) APPOINT AND REMOVE ALL OF THE MEMBERS OF THE BOARD AND (b) EXERCISE ALL VOTING RIGHTS IN THE ASSOCIATION (EXCEPT TO THE EXTENT OTHERWISE PROVIDED TO THE CONTRARY IN SECTION 10.02 ABOVE).

12.02 **LEGAL EXPENSES.** In addition to all of the other rights and remedies set forth in this Declaration, in the event Developer, the Board, the Association, the ARC or any of their respective agents and representatives, undertake any legal or equitable action which any of them deem necessary to abate, enjoin, remove or extinguish any violation or breach of this Declaration, then all costs and expenses incurred by any of them, including, without limitation, attorneys' fees and court costs, in enforcing any of the terms, provisions, covenants or conditions in this Declaration shall be paid for by the Owner against whom such action was initiated. The Association and its agents and representatives, including the ARC, and the Board are each hereby authorized to take any and all legal or equitable action as may be necessary under the circumstances to restrain or enjoin any violation or breach of this Declaration or to otherwise seek monetary damages as a result of any expenses incurred by the Association to cure any such violation or breach by any Owner.

12.03 **SEVERABILITY.** If any provision of this Declaration or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Declaration or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision hereof shall be valid and enforceable to the fullest extent permitted by law.

12.04 **CAPTIONS AND HEADINGS.** The captions and headings contained in this Declaration are for convenience of reference only and shall not be used in the construction or interpretation of any provisions of this Declaration. The table of contents, cover page and any index to this Declaration are for convenience of reference only and shall not define or limit any of the terms and provisions hereof.

12.05 **PRONOUNS AND PLURALS.** All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders. The use of the singular tense shall include the plural and the use of the plural shall include the singular.

12.06 **BINDING EFFECT.** The terms and provisions of this Declaration shall be binding upon each Owner, Occupant and Mortgagee and their respective heirs, executors, administrators, personal representatives, successors and assigns and shall inure to the benefit of Developer, the Association, the ARC, all of the Owners and their respective Mortgagees and their respective heirs, executors, administrators, personal representatives, successors and assigns.

12.07 **CONFLICT OR AMBIGUITY.** In the event of any conflict or ambiguity in the terms and provisions of this Declaration, the general rules of construction against one party as a result of that party having drafted this Declaration are hereby waived by each Owner and, to the fullest extent allowed by law, no conflicts or ambiguities shall be resolved in favor or to the advantage of one party as opposed to another in interpreting any ambiguity or conflict contained herein. In the event of any conflict, ambiguity

or inconsistency between the *Code of Alabama*, any Governmental Requirements, this Declaration, the Articles of Incorporation, the Bylaws or any Rules and Regulations adopted from time to time by the Association, then, subject to the provisions of Section 12.09 below, the provisions of the *Code of Alabama*, any Governmental Requirements, this Declaration, the Articles of Incorporation, the Bylaws and any Rules and Regulations adopted by the Association, in that order, shall prevail and each Owner, by acceptance of a deed or other conveyance to a Lot or Dwelling, covenants and agrees to vote in favor of and execute any amendments as may be necessary to remove or alleviate any such conflict, ambiguity or inconsistency.

12.08 **NO REVERTER**. No restriction or provision hereof is intended to be or shall be construed as a condition subsequent or a possibility of reverter in favor of Developer nor shall any provision be deemed to vest any reversionary interest in Developer; provided, however, that nothing herein shall be deemed to alter or affect the Repurchase Option and the rights of Developer created in Section 11.03 above.

12.09 **INTERPRETATION**. In all cases, the provisions set forth and provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Developer or the Board, will best effect the intent of the general plan of development for the Property. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication so as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date hereof. This Declaration shall be construed under and in accordance with the laws of the State of Alabama.

12.10 **RIGHTS OF THIRD PARTIES**. This Declaration shall be recorded for the benefit of Developer, the Association, the Owners and their respective Mortgagees and by such recording, no other adjoining property owner or third party shall have any right, title or interest whatsoever in the Property or its operation and continuation, in the enforcement of any of the provisions of this Declaration or the right to consent to or approve any amendment or modification to this Declaration.

12.11 **NO TRESPASS**. Whenever the Association, Developer, the ARC and their respective agents, employees, representatives, successors and assigns, are permitted by this Declaration to enter upon or correct, repair, clean, maintain or preserve or do any other action within any portion of a Lot or Dwelling, the entering thereon and the taking of such action shall not be deemed a trespass.

12.12 **NO PARTITION**. Each Owner hereby waives any right to seek or obtain judicial partition of any portion of the Property.

12.13 **STANDARDS FOR REVIEW**. Whenever in this Declaration the ARC or the Association has the right to approve, consent to, or require any action be taken pursuant to the terms hereof, such approval, consent or required action shall, except as otherwise specifically provided herein to the contrary, be given or withheld in the sole and absolute discretion of the ARC or the Association, as the case may be.

12.14 **ORAL STATEMENTS**. Oral statements or representations by Developer, the Association, the ARC, or any of their respective employees, agents, representatives, successors or assigns, shall not be binding on Developer, the Association or the ARC.

12.15 **NOTICES**. Each Owner shall be obligated to furnish to the Association, in writing, the address, if other than the Lot or Dwelling of such Owner, to which any notice to such Owner under this Declaration is to be given and, if no address other than such Lot or Dwelling shall have been designated

in writing, then all notices and demands shall be mailed or delivered to the Lot or Dwelling of such Owner. Any Owner may, for the purposes of notices hereunder, specify in writing to the Association that all notices be submitted to such Owner by facsimile transmission or through the Internet utilizing a specific electronic mailbox for that particular Owner. All notices required or permitted to be given to any Owner pursuant to the terms and provisions of this Declaration shall be deemed to have been sufficiently given or served upon any Owner when either (a) deposited in the United States mail for first-class delivery with postage prepaid and addressed to the last address furnished by such Owner to the Association (or if no address has been furnished, then to the Lot or Dwelling of such Owner), in which case notice shall be deemed given upon deposit of same in the United States mail, (b) delivered to the Dwelling, if any, situated on an Owner's Lot in which event notice shall be deemed given upon personal delivery of such notice to the mailbox or when attached to the front door of such Lot or Dwelling, (c) sent by facsimile transmission to a facsimile number provided in writing by such Owner to the Association, which notice shall be deemed to have been given upon transmission of such facsimile notice or (d) sent by Internet to an electronic mailbox address provided in writing by such Owner to the Association, which notice shall be deemed to have been given upon transmission of such electronic mail by the Association. All notices to the Association (or to the ARC) shall be delivered or sent to the following address:

The Colony at The Grand Owners' Association, Inc.
c/o Daniel Corporation
3660 Grandview Parkway
Suite 100
Birmingham, Alabama 35243
Attention: Sheila D. Ellis

or to such other address as the Association (or the ARC) may from time to time specify in a notice to the Owners. All notices to Developer shall be sent or delivered to Developer at the above address or to such other address as Developer may notify the Association.

12.16 **ASSIGNMENT.** Developer shall have the right, in its sole and absolute discretion, to assign any and all of the rights, powers, reservations, easements and duties contained herein to any person or entity that shall thereupon have the same rights, powers, reservations, easements and duties as Developer hereunder. Notwithstanding anything provided herein to the contrary, no sale, transfer, conveyance, lease, pledge, encumbrance or other hypothecation of any Lot or Dwelling by Developer to a third party shall constitute or be deemed to constitute a transfer of any of the rights reserved herein to Developer unless express reference is made in such instrument of conveyance to the specific rights created in this Declaration which Developer has transferred to any such third party.

12.17 **FURTHER ASSURANCES.** Each Owner covenants and agrees to execute, sign and deliver, or cause to be executed, signed and delivered and to otherwise do or make, or cause to be done and made, any and all agreements, instruments, papers, deeds, acts or things, supplemental, confirmatory or otherwise, which may be reasonably requested by Developer, the Association or the ARC for the purpose of or in connection with clarifying, amending or otherwise consummating any of the transactions and matters herein.

12.18 **NO WAIVER.** All rights, remedies and privileges granted to Developer, the Association and the ARC pursuant to the terms and provisions of this Declaration shall be deemed to be cumulative and the exercise of any one or more of such rights, remedies or privileges shall not be deemed to constitute an election of remedies nor shall it preclude the party exercising the same, or any other party, from pursuing such other and/or additional rights, remedies or privileges as may be available to such party at law or in equity. The failure by Developer, the ARC or the Association at any time to enforce

any covenant or restriction set forth herein shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

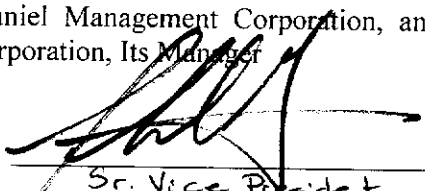
12.19 **PERPETUITIES.** If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of George Herbert Walker Bush, former President of the United States.

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IN WITNESS WHEREOF, Developer, Bayview II and the Association have caused this Declaration to be duly executed as of the day and year first above written.

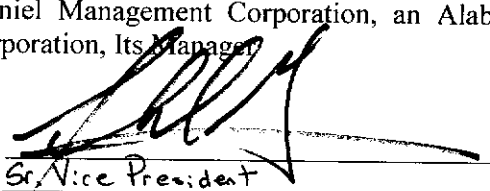
POINT CLEAR PARTNERS, LLC, a Delaware limited liability company

By: Daniel Management Corporation, an Alabama corporation, Its Manager

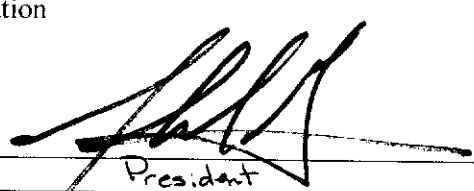
By: 
Its: Sr. Vice President

BAYVIEW II DEVELOPER, LLC, an Alabama limited liability company

By: Daniel Management Corporation, an Alabama corporation, Its Manager

By: 
Its: Sr. Vice President

THE COLONY AT THE GRAND OWNERS' ASSOCIATION, INC., an Alabama nonprofit corporation

By: 
Its: President

STATE OF ALABAMA)
 :
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that John D. Gunderson whose name as Sr. Vice President of DANIEL MANAGEMENT CORPORATION, an Alabama corporation, as Manager of POINT CLEAR PARTNERS, 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 such officer and with full authority, executed the same voluntarily for and as the act of said corporation in its capacity as Manager of the aforesaid limited liability company.

Given under my hand and official seal this the 6th day of June, 2012.

Nancy R. Echols
Notary Public
My Commission Expires: 3-27-13

[NOTARIAL SEAL]

STATE OF ALABAMA)
 :
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that John D. Gunderson whose name as Sr. Vice President of DANIEL MANAGEMENT CORPORATION, an Alabama corporation, as Manager of BAYVIEW II DEVELOPER, LLC, an Alabama 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 such officer and with full authority, executed the same voluntarily for and as the act of said corporation in its capacity as Manager of the aforesaid limited liability company.

Given under my hand and official seal this the 6th day of June, 2012.

Nancy R. Echols
Notary Public
My Commission Expires: 3-27-13

[NOTARIAL SEAL]

STATE OF ALABAMA)
 :
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that John D Gunderson whose name as President of THE COLONY AT THE GRAND OWNERS' ASSOCIATION, INC., an Alabama nonprofit corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 6th day of June, 2012.

Nancy R Echols
Notary Public
My Commission Expires: 3-27-13

[NOTARIAL SEAL]

CONSENT OF ASSOCIATION

The undersigned, The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, has joined in the execution of this Declaration in order to (a) consent to and agree to be bound by all of the terms and provisions of this Declaration and (b) subject the Association Property to the terms and provisions of this Declaration, including, specifically, consenting to the Association Property being part of the Common Areas.

Dated as of the 6th day of June, 2012.

THE COLONY AT THE GRAND OWNERS'
ASSOCIATION, INC., an Alabama nonprofit
corporation

By:

Its:

President

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John D. Gunderson, whose name as President of The Colony at The Grand Owners' Association, Inc., an Alabama nonprofit corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 6th day of June, 2012.

[NOTARIAL SEAL]

Nancy R. Echols
Notary Public
My commission expires: 3-27-13

EXHIBIT A

Legal Description of Property

Parcel 1: Legal Description of Bayview II Property

All of Bayview II's right, title and interest in all condominium units (and the Allocated Interest attributable to the same) owned by Bayview II in the Bayview II Condominium Building which is situated on the following described real property:

The Bayview II Condominium Building is situated on the following described real property:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W, 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 239.25 FEET TO A POINT; THENCE RUN N-62°50'58"-W, 339.67 FEET TO A POINT; THENCE RUN N-06°06'48"-E, 375.00 FEET TO A POINT; THENCE RUN S-85°32'18"-E, 341.99 FEET TO THE POINT OF BEGINNING; CONTAINING 3.51 ACRES, MORE OR LESS.

Parcel 2: Legal Description of Association Property

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 861.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 167.94 FEET TO A POINT; THENCE RUN N-00°09'10"-E, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 22.50 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 30.50 FEET, A DELTA ANGLE OF 81°56'59", A CHORD OF WHICH BEARS N-49°10'41"-E, 40.00 FEET, AN ARC DISTANCE OF 43.62 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 350.00 FEET, A DELTA ANGLE OF 10°03'25", A CHORD OF WHICH BEARS N-12°31'00"-E, 52.65 FEET, AN ARC DISTANCE OF 52.70 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A

NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 300.00 FEET, A DELTA ANGLE OF 50°22'01", A CHORD OF WHICH BEARS N-42°00'50"-E, 255.31 FEET, AN ARC DISTANCE OF 263.72 FEET TO A POINT; THENCE RUN N-67°11'50"-E, 79.25 FEET TO A POINT; THENCE RUN N-64°54'24"-E, 66.06 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 270.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS N-39°16'28"-E, 233.60 FEET, AN ARC DISTANCE OF 241.58 FEET TO A POINT; THENCE RUN N-13°38'12"-E, 340.00 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET, A DELTA ANGLE OF 21°28'50", A CHORD OF WHICH BEARS N-02°54'07"-E, 324.26 FEET, AN ARC DISTANCE OF 326.17 FEET TO A POINT; THENCE RUN N-07°50'18"-W, 299.54 FEET TO A POINT; THENCE RUN N-82°09'42"-E, 60.00 FEET TO A POINT; THENCE RUN S-07°50'18"E, 299.54 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 930.00 FEET, A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 288.27 FEET, AN ARC DISTANCE OF 289.44 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 340.00 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 330.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS S-39°16'28"-W, 285.51 FEET, AN ARC DISTANCE OF 295.26 FEET TO A POINT; THENCE RUN S-64°54'24"-W, 66.06 FEET TO A POINT; THENCE RUN S-62°36'57"-W, 26.62 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 292.89 FEET, A DELTA ANGLE OF 49°38'57", A CHORD OF WHICH BEARS S-38°24'50"-W, 245.94 FEET, AN ARC DISTANCE OF 253.80 FEET TO A POINT; THENCE RUN SOUTHEASTERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 34.50 FEET, A DELTA ANGLE OF 104°18'56", A CHORD OF WHICH BEARS S-37°41'22"-E, 54.49 FEET, AN ARC DISTANCE OF 62.81 FEET TO A POINT; THENCE RUN S-00°09'10"-W, 18.50 FEET TO THE POINT OF BEGINNING; CONTAINING 2.63 ACRES, MORE OR LESS.

EXHIBIT B

Rules and Regulations

See Attached.

THE COLONY AT THE GRAND RULES AND REGULATIONS

Developer and the Board of Directors of The Colony at The Grand Owners' Association, Inc. have adopted these Rules and Regulations (the "Rules and Regulations") in order to maintain the aesthetics and lasting quality of the Property as well as to ensure the long-term viability and the value of all Dwellings and other Improvements constructed within the Property. These Rules and Regulations, as the same may be amended from time to time by the Board, will be binding upon all Owners and Occupants of any Lots and Dwellings within the Property.

These Rules and Regulations are referred to in, and constitute a part of, the The Colony at The Grand Declaration of Covenants, Conditions and Restrictions dated as of _____, 2012 (the "Declaration"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.* These Rules and Regulations are in addition to all of the terms and provisions set forth in the Declaration. In the event of any conflict or ambiguity between the terms and provisions set forth herein and those set forth in the Declaration, then, except as otherwise expressly provided herein to the contrary, the terms and provisions of the Declaration shall at all times control. Notwithstanding anything provided herein or in the Declaration to the contrary, these Rules and Regulations may be amended at any time and from time to time by the Board (without any consent or approval of any Owner or Mortgagee) in the manner provided in Section 6.13 of the Declaration.

1.01 TRASH, RUBBISH AND NUISANCES.

(a) No trash, garbage, rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Property nor shall any nuisance or odors be permitted to exist or operate upon or arise from any Lot or Dwelling which would render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using, occupying or owning any other Lots, Dwellings, Common Areas, or any other real property in close proximity to the Property. Any Owner or Occupant who dumps, places or allows trash or debris to accumulate on his or her Lot or Dwelling or on any other portion of the Property shall be liable to the Association for all costs incurred by the Association to remove the same.

(b) Trash, garbage and any other refuse or waste shall not be kept on any Lot or Dwelling except in sanitary containers or garbage compactor units or dumpsters. Trash cans and containers (including dumpsters) shall at all times be kept at the rear of or inside a Dwelling and shall be screened from view from all roadways within or adjacent to the Property, and all adjacent Lots and Dwellings by appropriate landscaping or fencing approved by the ARC; provided, however, that trash cans and containers may be moved to the side or front yard of any Dwelling on trash collection days so long as such trash cans and containers are removed from the front and side yard promptly after trash has been collected. No trash or refuse collection area shall be maintained within view of any streets within the Property.

(c) No outdoor burning of trash, garbage, leaves, wood, shrubbery or other materials shall be permitted on any Lot or Dwelling unless the same is undertaken in strict accordance with the requirements of all applicable Governmental Authorities. Notwithstanding anything provided herein to the contrary, to the extent any Owner or Occupant violates any requirements of any Governmental Authorities with respect to the outdoor burning of trash, garbage, leaves, wood, shrubbery or other materials, then enforcement of such laws, statutes, ordinances, rules and regulations shall be solely by the applicable Governmental Authority and not the Association.

(d) Noxious or offensive activities shall not be carried on in or from any Lot or Dwelling or in any part of the Common Areas, and each Owner and Occupant shall refrain from any act or use of a Lot or Dwelling which could cause disorderly, unsightly or unkept conditions, result in the cancellation of or increase in insurance coverage or premiums for any portion of the Property or be in violation of any law, statute, ordinance, rule, regulation or requirement of any Governmental Authority.

1.02 **MULTI-FAMILY SERVICE AND STORAGE AREAS AND FACILITIES.**

(a) No materials, supplies, equipment or machinery shall be stored outside of any Multi-Family Dwelling or Multi-Family Building without the prior written approval of the ARC; provided, however, that temporary storage of construction materials and equipment may be utilized during the construction of any Multi-Family Buildings or any Improvements to the Lot upon which a Multi-Family Building will be constructed so long as the same are removed upon completion of construction.

(b) Each Multi-Family Building shall include a service area of adequate size and location to facilitate trash removal and for the loading and unloading of merchandise, materials and otherwise handling deliveries. All service areas shall be paved, be accessible to a street within the Property, be enclosed on at least three (3) sides and, to the greatest extent possible, be screened from view from any streets within the Property by walls, fencing or landscaping as may be approved by the ARC.

1.03 **RECREATIONAL VEHICLES AND MACHINERY AND EQUIPMENT.**

(a) Mobile homes, motor homes, trailers of any kind, campers, vans, motorcycles, bicycles, motorized carts and all-terrain vehicles, lawnmowers, tractors, tools, construction machinery and equipment of any type or nature, golf carts, boats and any other type of watercraft, including boat trailers, and any other similar types of vehicles, machinery or equipment shall not be permitted, parked, stored or allowed to remain on any of the streets within the Property or on any Lot or Dwelling unless the same is placed, stored and maintained within a wholly-enclosed structure, with roofing and doors, on such Lot or Dwelling. Any such enclosed structure must be approved by the ARC. Neither the Common Areas nor the roadways within the Property shall be utilized for the parking or storage of any of the foregoing vehicles, recreational vehicles, machinery or equipment; provided, however, that the Board shall have the right (but not the obligation), in its sole and absolute discretion, to designate any portion of the Common Areas for the storage of any of the foregoing vehicles so long as such storage is undertaken in compliance with all rules and regulations adopted by the Board from time to time with respect to the storage of any of the foregoing types of vehicles or equipment, which rules and regulations may include a requirement that a fee be paid to the Association for such storage.

(b) Vehicles used primarily for commercial purposes and vehicles with commercial writings on their exteriors are prohibited from being parked on or within any portion of the Property, including any Lots or Dwellings, except as follows: (i) not more than one (1) pick-up truck or one (1) mini-van containing commercial writings on their exteriors may be parked on any Lot or Dwelling (but only on or within paved parking surfaces of such Lot or Dwelling) and (ii) any other trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily within the Property only if (1) such vehicles are necessary in connection with the construction of any Improvements on a Lot or Dwelling or are providing repair or maintenance services on any Lot or Dwelling and (2) such vehicles are not parked overnight on a Lot or Dwelling.

(c) The Board shall have the right at any time and from time to time to adopt rules and regulations with respect to the keeping, storage, parking, operation, use or maintenance of mobile homes, motor homes, tractors, equipment, machinery, trailers (with or without wheels), trucks (other

than pick-up trucks), vans (other than mini-vans used solely for passenger uses), commercial vehicles of any type, campers, motorized campers or trailers, boats or other water craft, boat trailers, motorcycles, motorized bicycles, golf carts, all-terrain vehicles, motorized go-carts and other forms of transportation. No golf carts, all-terrain vehicles, motorized go-carts, four-wheelers, three-wheelers or any other vehicles, machinery or equipment which are not authorized for use on public roadways in the State of Alabama shall be allowed to be operated on any of the streets within the Property; provided, however, that the Board shall have the right (but not the obligation), in its sole and absolute discretion, to authorize the use within the Property of electric golf carts, electric carts, electric vehicles, neighborhood electric vehicles or other types of vehicles which are powered solely by electricity or solar energy subject to compliance with all rules and regulations adopted from time to time by the Association for the operation of such vehicles, which rules and regulations may include a requirement that a fee be paid to the Association for the operation of such vehicles and that the operator of such vehicles be limited to drivers who are a minimum age (which may be higher than sixteen (16) years of age) and who possess a valid driver's license.

1.04 **SWIMMING POOLS AND TENNIS COURTS.** Swimming pools, outdoor hot tubs, reflecting ponds, saunas, whirlpools, lap pools and tennis courts may be constructed, installed and maintained on any Lot or Dwelling but only to the extent that the ARC has approved the same in writing and the construction of the same satisfy all restrictions and requirements imposed by the ARC with respect thereto. Above-ground pools shall not be permitted. The ARC shall have the right to adopt further rules and regulations governing the construction of swimming pools, other outdoor water facilities and amenities and tennis courts within the Property. Swimming pools and tennis courts shall be fenced as may be required by any of the Governmental Authorities, which fencing must also be approved by the ARC.

1.05 **GARAGES, DRIVEWAYS AND PARKING.**

(a) Adequate off-street parking shall be constructed on each Lot as part of the construction of Improvements on such Lot. The size and location of all off-street parking shall be approved by the ARC pursuant to the provisions of the Declaration. With respect to Single-Family Dwellings, each such Single-Family Dwelling shall provide for off-street parking for at least two (2) vehicles (subject to the provisions of Section 1.03 of these Rules and Regulations). Multi-Family Buildings shall provide for off-street parking in size and location and with landscaping as may be approved by the ARC. At a minimum, all Multi-Family Buildings shall satisfy the minimum parking requirements of applicable Governmental Authorities. Any minimum parking requirements established by the ARC for Multi-Family Buildings may be applied to one or more Multi-Family Buildings but not all of the Multi-Family Buildings based on, among other things, the type uses contemplated for such Multi-Family Buildings, any other requirements imposed on such Multi-Family Buildings by the ARC and any other grounds which are consistent with the objectives and purposes of this Declaration, including, purely esthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Multi-Family Building and any Improvements thereto to be harmonious with the general plan of development contemplated for the Property. All driveways and sidewalks shall be paved or utilize ARC-approved stone pavers or other materials approved by the ARC; chert, gravel and loose stone driveways and sidewalks are prohibited; provided, however, that, with ARC approval (i) driveways may utilize concrete or asphalt ribbons with grass or other surfaces as approved by the ARC and (ii) gravel and loose stone walkways at the rear of a Dwelling and which are not visible from any roadways within or adjacent to the Property may be allowed. Garage doors shall be constructed of such materials as are approved by the ARC.

(b) Garages must be wholly-enclosed. Garage doors shall be kept closed at all times except when in use. No garage shall be converted to any use other than for the parking of vehicles

therein without the approval of the ARC. All automobiles owned or used by the Owner or Occupant of any Dwelling and their respective family members shall be parked in such garages and garages shall not be used for storage or for any other purposes or uses which would result in the garage being unavailable for the parking of vehicles therein. Non-operable vehicles shall not be stored in any garages if the same would result in any vehicles being parked outside and not in a garage.

(c) In no event shall any automobiles or other vehicles, machinery or equipment be parked or left unattended on or within (i) any areas of a Lot or Dwelling which are not within or part of the driveways or enclosed garages for such Lot or Dwelling, (ii) any Common Areas or (iii) any of the public or private roadways or any alleys within the Property; provided, however, that guests or Owners or Occupants of a Dwelling (but not by any Owners or other Occupants of a Dwelling) may park on the street (but not in alleys) if the driveways and other parking areas on a Lot or Dwelling are fully used and occupied by vehicles so long as such vehicles do not remain parked on or within such roadways for more than 8 hours). Each Lot or Dwelling shall provide for adequate off-street parking (*i.e.*, parking areas located solely within the property lines of such Lot or Dwelling). Vehicles shall be parked only in driveways or in garages. Vehicles shall not be parked on any landscaped or natural areas of a Lot or Dwelling or within any of the Common Areas. No vehicles, machinery or equipment shall be (1) repaired or restored outside an enclosed structure (*e.g.*, a garage) on any Lot or Dwelling or (2) placed on any types of blocks or other types of fixtures or personal property which are located outside of an enclosed garage.

(d) No portion of any Lot may be utilized to provide access, ingress to or egress from any property outside the boundaries of the Property without the express prior written consent of the ARC, which consent may be withheld by the ARC in its sole and absolute discretion.

(e) To the extent any Owner or Occupant or any of their respective builders, contractors, subcontractors, agents, employees, guests or invitees damage or destroy any of streets and roads or any sidewalks, curbing or retaining walls within the Property, then the Owner of such Lot shall promptly cause, at his, her or its sole cost and expense, such damaged streets and roads, sidewalks, curbing or retaining walls to be repaired and replaced in accordance with any and all requirements of the Association and all applicable Governmental Authorities.

(f) With respect to all Multi-Family Buildings, the following additional provisions shall be applicable:

(i) The ARC may establish setback requirements for all parking areas for each Multi-Family Building;

(ii) The ARC may require additional landscaping between parking areas and any public or private streets which may abut or be adjacent to the Lot upon which any such Multi-Family Building will be constructed;

(iii) The ARC must approve all curb cuts providing access to and from any Lot upon which a Multi-Family Building will be constructed and any (1) Access Roads and (2) any adjoining Lot; and

(iv) All parking areas for Multi-Family Buildings shall (1) be paved to provide dust-free all weather surfaces, (2) be adequate in number of parking spaces provided in order to comply with any minimum parking requirements imposed by the ARC, (3) contain adequate driveways and space for removal of vehicles, (4) meet the grade with connecting streets; (5) be striped to designate parking spaces, (6) contain concrete curbing, sidewalks and walkways

as well as proper drainage, (7) satisfy and comply with all requirements of applicable Governmental Authorities and (8) be lighted, utilizing light standards approved by the ARC.

(g) Any vehicle which is inoperable shall be immediately removed from the Property. No Owner or Occupant shall repair or restore any vehicle, machinery or equipment of any kind upon or within any Lot or Dwelling, within or on any public roadway within the Property or within any portion of the Common Areas, except (i) within enclosed garages or workshops or (ii) for emergency repairs and then, only to the extent necessary to enable the immediate movement thereof to a proper repair facility located outside of the Property.

1.06 OUTDOOR FURNITURE, BASKETBALL GOALS, GRILLS, RECREATIONAL FACILITIES AND CLOTHESLINES.

(a) No interior furniture or furnishings (*i.e.*, sofas, appliances, etc.) shall be allowed on the front porches of any Dwelling or outside of any other Dwelling constructed on a Lot; however, except as set forth below, porch swings, rocking chairs, gliders and other types of outdoor furniture, including wicker furniture, shall be allowed. Notwithstanding the foregoing, no molded plastic furniture or furnishings shall be allowed on the front porches of any Dwellings. All front porches must be kept in a neat and orderly condition at all times.

(b) Wood piles, free-standing playhouses, treehouses, children's toys, swing sets, jungle gyms, trampolines, batting cages and other outdoor and recreational or play equipment and appurtenances shall be located (i) so that the same are not visible from any streets and roads and (ii) in a location approved in writing by the ARC.

(c) Basketball backboards shall be located, to the extent practicable, so as not to be visible from any of streets and roads. Basketball backboards shall not be located within the front yards of any Lots and, if located within the side yard of any Lot, must be no closer to the street than 15 feet behind the forwardmost corner of the front façade of the Dwelling on such Lot. Basketball goal backboards shall be of clear Plexiglas or acrylic.

(d) Outside clotheslines or other outside facilities for drying or airing clothes are prohibited on any Lot. No clothing, rugs or other items shall be hung, placed or allowed to remain on any railing, fence or wall of any Single-Family Dwelling or any Multi-Family Building.

(e) Barbecue grills or other types of outdoor cooking equipment and apparatus shall be located only at the side or rear of a Dwelling but only to the extent that the same is not visible from any of streets and roads. No commercial barbecue equipment, including, without limitation, commercial grade smokers and grills, shall be placed, stored or operated on any Lot or Dwelling.

(f) Bird feeders, wood carvings, plaques and other types of home crafts shall not be permitted in the front or side yards of any Lot nor shall any of the foregoing items be attached to the front or side of any Dwelling. All bird feeders, wood carvings, plaques and other types of home crafts shall be located only at the rear of a Dwelling and shall not be visible from any roadways within or adjacent to the Property.

(g) American flags may be displayed at any time so long as the same are of reasonable size, as determined by the ARC, in its sole discretion, and are properly displayed. Any other flags may be maintained on a Lot or any Dwelling for not more than 30 consecutive days during any 365-day period. Banners are not permitted.

- (h) Any weathervanes to be installed on a Dwelling must be approved by the ARC.

1.07 **YARD AND GARAGE SALES.** No yard or garage sales are permitted in the Property unless the same are approved by the Association. The Association shall have the right, in its sole and absolute discretion, to limit, restrict and prohibit any yard, garage, basement or other types of sales within the Property and to adopt additional rules and regulations, as well as charging fees, for any such sales.

1.08 **LANDSCAPING AND TREES.**

(a) **Cutting of Trees and Other Plant Life.** No trees having a diameter at breast height of ten (10) inches or more may be cut, removed or mutilated without first obtaining the prior approval of the ARC; provided, however, that the foregoing shall not be (i) applicable to the cutting and removal of any trees situated within ten (10) feet of the foundation of any Dwelling or any driveways or parking areas for a Lot, (ii) deemed to prohibit the cutting and removal of any dead or diseased trees on a Lot or (iii) applicable to Developer. The provisions of this Section 1.08 shall be applicable at all times, including, without limitation, at the time of construction of a Dwelling on a Lot and after completion of construction of a Dwelling on a Lot. The terms and provisions of this Section 1.08 are in addition to the provisions of Section 5.06 of the Declaration.

(b) **Obstructions.** No plant materials shall be placed or permitted to remain on any Lot if the same would interfere with or obstruct traffic sight-lines for any of streets or roads. The determination of whether any such obstruction exists shall be made by the ARC, whose determination shall be final, conclusive and binding on all Owners.

(c) **Rocks and Rock Walls.** No rocks, rock walls or other substances shall be placed on any Lot as a front or side yard border to prevent vehicles from parking on or pedestrians from walking on any portion of such Lot or to otherwise impede or limit access to the same unless otherwise approved in writing by the ARC. Any walls, including retaining walls, to be constructed on any Lot must be approved by the ARC.

(d) **Native Plants.** Each Owner shall, to the extent practicable, attempt to incorporate into the landscaping plan for his or her Dwelling the natural plant life existing on such Lot and shall otherwise take such steps which would, to the extent practicable, preserve the existing trees, plant life, wild flowers and natural environment, including natural drainage channels, which exist on such Lot. The ARC may from time to time promulgate rules and regulations adopting an approved list of plant life which must be utilized on any Lot or Dwelling, which rules and regulations may also prescribe that a minimum dollar amount be established and utilized as a landscaping budget for each Lot or Dwelling.

(e) **Turf Grass Height.** The Board has the right to adopt turf grass guidelines which, among other things, may mandate that the height of specific types of turf grass not exceed specified heights. All Owners shall abide by any such guidelines.

(f) **Decorations.** Seasonal or holiday decorations (e.g., Christmas trees and lights, pumpkins, Easter decorations) may not be placed on any Lot or Dwelling more than 30 days prior to such holiday and shall be promptly removed from each Lot or Dwelling no later than 20 days following the date of such holiday.

(g) **Maintenance Requirements.** Approval of the ARC should be obtained prior to making landscape changes. All Owners are responsible for properly maintaining a neat appearance of all landscaping visible to the public from any streets or roadways. Regular maintenance includes:

- (1) Regular mowing of grass and removal of grass clippings.
- (2) Treatment to control weeds.
- (3) Pruning of trees and shrubbery.
- (4) Edging grass along curb or gutter, drives, walks and natural areas.
- (5) Regular removal of leaves from all areas of a Lot or Dwelling.
- (6) Regular refreshing of mulch in natural areas and/or planting beds.
- (7) Replacing any dead shrubs or trees, which were part of an approved landscaping plan. Replacements should be of the same type as the original and of an appropriate size.

(h) Curb and Gutter. Rocks and other similar items are not permitted on, in or adjacent to the curb or gutter. Painted house numbers are not permitted on the curb or gutter.

(i) Edging (Border). Edging is permitted only if properly installed and maintained. Acceptable edgings are black plastic, steel, or aluminum. Brick, stone and concrete products are permitted if they repeat materials and colors of the house, while blending with surroundings and having a maximum height of six inches. Poured in place concrete edging is not permitted.

(j) Foundation Plantings. All Dwellings should have shrubs planted along the front foundation. The size, type, spacing and quantity of shrubs required will be evaluated based on the height of the foundation wall (from the ground up to the first floor). Approval of the ARC is required prior to making changes to foundation plantings.

(k) Gardens. All gardens designed for the production of vegetables and flowers for cutting should be located in the rear yard. These gardens are not permissible in front yards. Approval of the ARC is required if a garden will be visible from any street.

(l) Garden Hoses. Garden hoses should be of a subdued color and stored neatly on a hose reel or similar container when not in use.

(m) Landscape Timbers. Landscape timbers and railroad ties should not be used in the front yard, including construction of planters or around trees. Planters should be constructed of masonry to match the house. Neither railroad ties nor landscape timbers should be used for construction of retaining walls in highly visible areas.

(n) Natural Areas And Planting Beds. A fresh layer of pine straw or naturally colored pine bark should be maintained and weed-free in areas not covered with sod, Mondo, Pachysandra, Ivy, or another approved ground cover in the front and side yards of all Dwellings. White rock or other light colored materials are not permitted. A distinction should be maintained between sod or ground cover and natural area by regularly edging along the boundary. The size and location of planting beds should be maintained according to their original condition or subsequently approved landscape plan approved by the ARC. Approval of the ARC is required prior to making changes to the type of mulch used or size and location of planting beds.

1.09 ANIMALS AND PETS. No animals, livestock, reptiles, birds or poultry of any kind shall be kept, raised or bred by any Owner upon any Lot or Dwelling or any other portion of the Property; provided, however, that not more than three (3) dogs or cats (or a combination of dogs and cats so long as the total number does not exceed three (3)) may be kept and maintained on a Lot or Dwelling so long as they are not kept for breeding or commercial purposes. Pets such as snakes, alligators and other reptiles are prohibited. The Board may adopt from time to time a specific listing of permitted and prohibited pets,

including species or types of dogs or other animals which will not be allowed or which will be permitted within the Property. No pet shall be allowed to make an unreasonable amount of noise or become a nuisance. Any structure or area for the care, housing or confinement of any pet (including, without limitation, dog houses, dog runs and other confined areas and spaces) shall be located only at the rear of a Dwelling, shall not be visible from any roadways within or adjacent to the Property and shall be constructed of materials and of a size approved by the ARC. Dogs and cats shall not be allowed to roam unattended within the Property; all dogs shall be kept and maintained within fenced or walled areas on a Lot or Dwelling which are screened with appropriate landscaping approved by the ARC or otherwise under leash. Pets shall not be permitted to leave excrement on the Lot or Dwelling of any other Owner, within any street right-of-way or any portion of the Common Areas and the Owner of such pet shall immediately remove the same. Each Owner shall be liable to the Association for the costs of repairing any damage to the Common Areas caused by the pet of such Owner or Occupant. Notwithstanding anything provided herein to the contrary, to the extent any Owner or Occupant violates any requirements of any Governmental Authority with respect to any pets or other animals maintained by such Owner or Occupant on or within any Lot or Dwelling or within any portion of the Property, then enforcement of such Governmental Requirements shall be solely by the applicable Governmental Authority and not the Association.

1.10 **EXTERIOR LIGHTING.** All exterior lighting for any Dwelling, including, without limitation, free standing lighting, accent lighting and utility (e.g., flood) lighting, must be approved by the ARC.

1.11 **FENCES.** No chain link or vinyl coated fences shall be allowed on any Lot. All fences, including the height, materials to be used, paint colors, style or architectural features of such fences and the location of any fences, must be approved in writing by the ARC.

1.12 **WINDOWS, WINDOW TREATMENTS AND DOORS.**

(a) Reflective glass shall not be permitted on the exterior of any Dwelling. Appropriate window treatments shall be used on all windows. No foil or other reflective materials shall be installed on any windows or used for sunscreens, blinds, shades or other purposes. Sheets, bed linens, blankets and paper or plastic bags or similar items are not appropriate window treatments.

(b) The ARC may adopt guidelines for the types of windows and materials from which windows may be constructed on any Dwelling. All exterior doors on any Dwelling or other Improvements on a Lot must be approved by the ARC as to style, materials used, color, size and types of door hardware to be utilized. Burglar bars on windows and doors shall not be permitted. Screen doors shall be authorized only on the rear of a Dwelling. No aluminum or metal doors with glass fronts (e.g., storm doors) shall be allowed on the front of any Dwelling.

1.13 **MAILBOXES.**

(a) With respect to all Single-Family Dwellings, each Single-Family Dwelling shall have only one (1) mailbox; provided, however, that the ARC may authorize and require that double mailboxes containing only one post be located at or near the common property line of two (2) Single-Family Dwellings which will serve both Single-Family Dwellings. All mailboxes shall be of the type, design, color and location as may be established in the Architectural Standards or approved by the ARC. Mailboxes shall contain only the house number of the Single-Family Dwelling as approved by the ARC, but no further inscription, paintings, ornaments or artistry shall be allowed.

(b) With respect to all Multi-Family Buildings, the ARC may require either a mailroom, kiosk or other common facility for the delivery of mail to the Multi-Family Dwellings within such Multi-Family Building. Such mail facility must be approved as to location and design by the ARC.

1.14 **HVAC EQUIPMENT.**

(a) No window-mounted heating or air conditioning units or window fans shall be permitted.

(b) All HVAC equipment for Single-Family Dwellings shall be located either on the side or at the rear of such Single-Family Dwelling. All HVAC equipment for any Multi-Family Dwellings shall be located either on top of the Multi-Family Building in which such Multi-Family Dwellings are situated or on a ground location approved by the ARC.

(c) All HVAC equipment must be appropriately screened with landscaping, which screening must be approved by the ARC.

1.15 **SATELLITE DISHES AND ANTENNAE.**

(a) With respect to Single-Family Dwellings, (i) one (1) satellite dish no more than two (2) feet in diameter may be installed on a Dwelling so long as (1) the same is not visible from any roadway within or adjacent to the Property and (2) the location of such satellite dish is approved by the ARC; (ii) no radio antenna, radio receiver or other similar device or aerial shall be attached to or installed on a Single-Family Dwelling or the Lot of such Single-Family Dwelling unless the same is (1) contained entirely within the interior of a building or other structure, (2) not visible from any Roadway within or adjacent to the Property or any adjacent Lot or Dwelling and (3) approved by the ARC.

(b) With respect to any Multi-Family Dwelling or Multi-Family Building, no satellite dishes or radio, telephone (including cellular) or telecommunication antennae, receivers, aerials or similar devices shall be attached to or installed on any such Multi-Family Dwelling or on the Multi-Family Building, unless the same are approved by the ARC, which approval may be conditioned upon, among other things, that such devices not be visible from any other Dwellings within the Property or from any streets within the Property.

(c) No radio or television signals or any other form of electromagnetic radiation or transmission shall be permitted to originate from any Lot or Dwelling which may interfere with the reception of radio or television signals within the Property or any other real property situated in close proximity to the Property.

1.16 **BULLETIN BOARDS.** No notices, flyers or advertisements shall be posted on or within the Common Areas or any streets and roads of the Property, including any bulletin boards within or on any of the Common Areas of the Property, without the prior written approval of the Board.

1.17 **COMPLAINTS.** Complaints regarding any services or the condition of any portion of the Property shall be made in writing to the Board.

1.18 **CONTROLLED SUBSTANCES.** Controlled Substances (as defined by state and federal laws), other than those prescribed by a physician for medical reasons or carried as inventory by doctors or physicians having a residence in the Property, are not permitted on or within any portion of the Property.

1.19 **DAMAGE TO PROPERTY.** All Owners will be held responsible for the conduct of their Occupants while on or within any portion of the Property and for their adherence to all of these Rules and Regulations. Each Owner shall be responsible and reimburse the Association or third parties for any damage to any of the Common Areas or to the property of any third party caused by such Owner or any Occupants of the Dwelling of such Owner.

1.20 **KEYS.** If any key or keys are entrusted by any Owner or Occupant to an employee of the Association, whether to any Improvements on an Owner's Lot or for any automobile, truck, vehicle or other item of personal property, then (a) the acceptance of such key or keys shall be at the sole risk of such Owner, (b) neither the Board nor the Association shall be liable for any injury, loss or damage of any nature, whatsoever, directly or indirectly, resulting therefrom or connected therewith and (c) such Owner does indemnify, agree to defend and hold the Board and the Association harmless from and against any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including reasonable attorneys' fees and expenses, suffered, paid or incurred by the board or the Association as a result of any damage or injury to person (including death) or property caused by or resulting from the entrustment of any such keys to any employee of the Association..

1.21 **FIREARMS AND FIREWORKS.** Firearms and ammunition are not permitted on or within any of the Common Areas of the Property. The use or discharge of any firearms within the Property is prohibited. The use or discharge of any fireworks within the Property is prohibited, unless undertaken in conjunction with an event approved in writing by the Association and all applicable Governmental Authorities.

1.22 **FLAMMABLE AND TOXIC SUBSTANCES.** No Owner or Occupant shall at any time bring into or keep on or within any portion of the Property any flammable, combustible, explosive or other harmful fluids, chemicals or substances or any toxic or hazardous waste or substance except as shall be necessary and appropriate for lawn and landscaping maintenance activities on such Lot or Dwelling, for generators used on such Lot or Dwelling or as maybe otherwise permitted by the Board; provided, however, the foregoing shall not be applicable to the Association in connection with the maintenance and operation of any of the Property or to Developer in connection with the development of any portion of the Property or any real property owned by Developer situated adjacent thereto or in close proximity therewith. Gasoline containers for any of the above approved uses shall be stored inside a Dwelling or in a separate accessory building on the applicable Lot or Dwelling and shall be stored in accordance with all applicable Government Requirements.

1.23 **RADIOS, STEREOS AND NOISE.**

(a) No Owner or Occupant shall play upon or cause to be played upon any musical instrument or otherwise operate or permit to be operated any radio, stereo, compact disk or tape player, television, loudspeaker or other sound amplification device in or upon any Lot or any Improvements thereto or any of the Common Areas if the same shall disturb or annoy any other Owners or Occupants of the Property or which violate the Architectural Standards. Between the hours of 10:00 p.m. and 9:00 a.m. of the following day, no music or other sounds produced by musical instruments, radios, stereos, compact disk or tape player, televisions, loudspeakers and other sound amplification devices shall be allowed on or within any of the Common Areas or be allowed to be generated or produced from any Lots or any Improvements thereto to the extent such sounds can be heard outside of the Improvements on such Lot during such hours.

(b) No construction repair work or other installation work involving noise shall be conducted in or upon any Lot except on weekdays (not including legal holidays) and only between the hours of 7:00 a.m. and dusk, unless such construction or repair work is necessitated by an emergency.

(c) No exterior speakers, horns, whistles bells or other sound devices, other than security or fire alarm devices used exclusively for such purposes, shall be located, used or placed upon any Dwelling without the prior written approval of the ARC and the satisfaction of all rules and regulations of all applicable Governmental Authorities.

(d) No Owner or Occupant shall operate a lawnmower, edger, trimmer, leaf blower, chain saw or similar yard maintenance equipment prior to 7:00 a.m. or after dusk.

(e) Notwithstanding anything provided herein to the contrary, the provisions of this Section 1.23 shall not be applicable to Developer, the Association or to any community events sponsored or approved by the Board or Developer.

1.24 **SIGNAGE.** All building and other signage (whether attached to dwelling or constructed as a free standing sign) must be approved by the ARC. Notwithstanding anything provided herein to the contrary, the ARC may establish and prescribe signage standards and requirements which standards and requirements may be applied to one or more Dwellings but not all of the Dwellings based on, among other things, the type uses contemplated for such Dwelling, any other requirements imposed on such Dwelling by the ARC pursuant to the terms of the Declaration, and any other grounds which are consistent with the objectives and purposes of the Declaration, including purely aesthetic considerations, which the ARC may, in its sole and absolute discretion, determine to be necessary to cause such Dwelling and any Improvements thereto to be harmonious with the general plan of development contemplated for the Property. Billboards are prohibited within the Property.

1.25 **OBSTRUCTIONS.** No walkways, sidewalks, entrances or streets and roads within the Property which constitute Common Areas shall be obstructed or encumbered or used for any purposes other than ingress or egress nor shall such areas be used for the storage of any personal property. Any personal property of an Owner or Occupant (other than vehicles and personal property located outside a Dwelling which is specifically allowed by these Rules and Regulations or which have been approved by the ARC) must be stored within (inside) the Improvements situated on a Lot.

1.26 **ACCESSORY BUILDINGS.**

(a) The use of accessory buildings (*i.e.*, gazebos, storage buildings, gazebos, pavilions and other similar buildings which are detached from a Dwelling), in general, is discouraged (other than for attached and detached garages which are allowed as accessory buildings) and will be subject to strict review and scrutiny by the ARC. Greenhouses, storage sheds or buildings, storage spaces and other structures, if any, must be incorporated into the design of the Dwelling and plans and specifications for any such accessory buildings must be submitted to, reviewed by and approved by the ARC. No accessory building shall be constructed on a Lot prior to construction of a Dwelling on such Lot. Any structure or area for the care, housing or confinement of any pet (including, without limitation, dog houses, dog runs and other confined areas and spaces) shall be located only at the rear of a Dwelling, shall not be visible from any roadways within or adjacent to the Property and shall be constructed of materials and of a size approved by the ARC.

(b) No temporary housing or shelters and no trailer, shack, tent, barn, shed, storage shed, tool shed, utility building, portable building, storage building, portable storage building, stable, poultry house or yard, rabbit hut, treehouse, dollhouse or other outbuilding or structure of any kind, shall

be permitted, constructed, installed or allowed to remain on any Lot or Dwelling; provided, however, that the foregoing shall not be deemed to prohibit (i) any detached garages or other structures which are approved in writing by the ARC, (ii) to the extent approved by the ARC, dog houses for not more than three (3) dogs so long as such dog houses are visibly screened with landscaping from view from all roadways within or adjacent to the Property, (iii) to the extent approved by the ARC, temporary structures for social functions as may be permitted by the rules and regulations of the Board, (iv) construction trailers and/or sales offices of Developer or (v) any of the foregoing structures, buildings or other Improvements which constitute Common Areas.

1.27 **PESTICIDES AND FERTILIZATION.** The Board may adopt rules and regulations regarding the types of pesticides and fertilizers which may be used whether the Property, including prohibiting or limiting the uses of certain pesticides and fertilizers along, around or near any wetlands, streams, creeks, ponds, lakes or rivers which flow through any portion of the Property.

1.28 **REZONING.** No Owner shall seek or obtain any rezoning of such Owner's Lot or Dwelling without first obtaining the prior written consent of (a) Developer prior to the Turnover Date or (b) the Board after the occurrence of the Turnover Date.

1.29 **DEED RESTRICTIONS.** To the extent any use restrictions or density restrictions are included in the deed to any Lot, then any amendments or modifications to such restrictions must be approved in writing by the grantor in such deed (or its assignee or designee).

1.30 **LEASING REGULATIONS.** The Board may adopt rules and regulations from time to time regarding the leasing of any Dwelling, including, without limitation, establishing minimum rental periods for any Dwelling; provided, however, that any such leasing rules and regulations shall have no effect on any existing lease of any Dwelling which was in full force and effect as the date on which the Board adopts any such leasing rules and regulations.

1.31 **BALCONIES AND PATIOS FOR MULTI-FAMILY BUILDINGS.**

(a) Only outdoor furniture (i.e., furniture designed for outdoor use, but subject to the restrictions set forth in Section 1.06 of these Rules and Regulations) such as, but not limited to, outdoor seating, chairs and tables, may be utilized on or within the balcony or patio areas of any Multi-Family Dwelling. In no event shall appliances of any kind, barbeque grills, smokers, outdoor cooking devices, outdoor heaters which burn any type of combustible products or other types of outdoor stoves which burn combustible products, be placed, stored, erected, installed, operated or maintained on any balcony of any Multi-Family Dwelling.

(b) No towels, banners, flags, clothing, window or sun shades shall be erected, placed, installed or maintained on any balcony or patio area of a Multi-Family Dwelling.

(c) No plants or plantings shall be installed, placed, or maintained on any balcony or patio area of a Multi-Family Dwelling without the prior written consent of the Board.

(d) No animals, including, without limitation, dogs, cats, birds and squirrels, shall be fed on or from any balcony or patio area of a Multi-Family Dwelling. Furthermore, no animals, including, without limitation, dogs, cats and birds shall be left unattended on any balcony or patio area of a Multi-Family Dwelling.

(e) In no event shall any bicycles, scooters, or similar equipment or devices be placed, stored or maintained, either temporarily or permanently, on or within the balcony or patio areas of

any Multi-Family Dwelling to the extent the same are visible from any of the streets or access ways which provide access to any portions of the Property.

1.32 **ADDITIONAL COVENANTS.** In addition to the terms and provisions of this Declaration, any portion of the Property may be subject to a Sub-Declaration and any rules, regulations and use requirements and restrictions set forth therein. In the event of any conflict or ambiguity between the terms and provisions of this Declaration or these Rules and Regulations and any Sub-Declaration, then the terms and provisions of this Declaration and these Rules and Regulations shall at all times control.

1.33 **ADDITIONAL RULES AND REGULATIONS.** These Rules and Regulations are subject to change, modification, amendment, rescission and enlargement at any time and from time to time by action of the Board of Directors of the Association, without the consent or approval of the Owners or Mortgagees of any Lot or Dwelling. All Owners and Occupants shall be bound by and agree to comply with all additional Rules and Regulations adopted from time to time by the Board as well as any and all changes, modifications, amendments, rescissions and enlargements of these Rules and Regulations.

CONSENT OF MORTGAGEE

This Consent of Mortgagee (this "Consent") is made and entered into as of the 6th day of June, 2012 by **THE TEACHERS RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation, and **THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation (collectively, "Mortgagee").

RECITALS:

Mortgagee is the holder of that certain (a) Amended and Restated Future Advance Mortgage dated as of December 12, 2005 executed by Point Clear Partners, LLC, a Delaware limited liability company ("PCP"), recorded as Instrument Number 941988, pages 1 through 38 in the Office of the Judge of Probate of Baldwin County, Alabama (the "Probate Office"), as amended by First Amendment thereto dated as of September 19, 2006 and recorded as Instrument Number 1003093, pages 1 through 8, in the Probate Office, as further amended by Second Amendment thereto dated as of March 16, 2007 and recorded as Instrument Number 1037944, pages 1 through 5, in the Probate Office and as further amended by Third Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116934, pages 1 through 8, in the Probate Office (collectively, the "First Mortgage") and (b) Future Advance Mortgage dated September 27, 2006 executed by Bayview II Developer, LLC, an Alabama limited liability company ("Bayview II"), recorded as Instrument Number 1004412, pages 1 through 40 in the Probate Office, as amended by First Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116936, pages 1 through 6, in the Probate Office (collectively, the "Additional Mortgage").

Both the First Mortgage and the Additional Mortgage (collectively, the "Mortgage") encumber all of the Property, as defined and described in the Declaration (as defined below).

This Consent is attached to and forms a part of that certain The Colony at The Grand Declaration of Covenants, Conditions and Restrictions (the "Declaration"), pursuant to which the Property, as defined in the Declaration, has been encumbered by and subjected to all of the terms and provisions of the Declaration.

Mortgagee desires to consent to the execution and delivery by PCP and Bayview II of the Declaration and to also agree that, following the foreclosure of the Mortgage, the rights and interests of all of the parties to the Declaration shall not be affected thereby. *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagee does hereby covenant and agree as follows:

1. Mortgagee does hereby consent to the execution of the Declaration by PCP and Bayview II and the submission and encumbrance of the Property to the terms and provisions of the Declaration.
2. Mortgagee does hereby agree that, upon and after a foreclosure of the Mortgage, the granting of any deed in lieu of foreclosure or the taking of any other action by Mortgagee under the Mortgage which results in Mortgagee acquiring title to or any interest in the Property (collectively, a "Foreclosure Action"), then (a) the Declaration and all of the rights and privileges under the Declaration shall not be affected or disturbed by virtue of such Foreclosure Action, but shall continue in full force and effect, (b) each and every party to the Declaration and their respective successors and assigns shall

continue to have the right to enjoy all of the rights and privileges set forth in the Declaration without any interference by any person claiming by, through or under Mortgagee, (c) Mortgagee or any purchaser at foreclosure, as applicable, shall succeed to the interests of PCP under the Declaration and shall be bound by all of the terms and provisions of the Declaration; provided, however, that in no event shall Mortgagee (or any purchaser at foreclosure) be bound by any amendments or modifications to the Declaration not consented to in writing by Mortgagee and (d) Mortgagee (or any purchaser at foreclosure) shall execute any documents or instruments reasonably requested by any of the parties to the Declaration and their respective successors and assigns to confirm that all of the terms and provisions of the Declaration shall continue in full force and effect following any such Foreclosure Action.

3. All notices required or permitted to be given to Mortgagee under the Declaration shall be sent to Mortgagee at the following address:

The Teachers' Retirement System of Alabama, as Agent for
The Teachers' Retirement System of Alabama and
The Employees' Retirement System of Alabama
c/o Dr. David G. Bronner, Secretary/Treasurer
Retirement Systems of Alabama
201 South Union Street
Montgomery, Alabama 36104

with a copy to:

J. Kris Lowry, Esq.
Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2618

[The remainder of this page has been left intentionally blank]

THE TEACHERS' RETIREMENT SYSTEM OF
ALABAMA

By: [Signature]
Its: CEO

THE EMPLOYEES' RETIREMENT SYSTEM OF
ALABAMA

By: [Signature]
Its: CEO

STATE OF ALABAMA

COUNTY OF MONTGOMERY

)
:
)
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David B. Brown, whose name as CEO of THE TEACHERS' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama formed as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 15 day of May, 2012.

[NOTARIAL SEAL]

[Signature]
Notary Public
My Commission Expires: 1/18/15

STATE OF ALABAMA

COUNTY OF MONTGOMERY

)
:
)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David G. Branner, whose name as CEO of THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama formed as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 15 day of May, 2012.

William P. Woodard

Notary Public

My Commission Expires: 1/18/15

[NOTARIAL SEAL]

CONSENT OF OWNERS

The undersigned, Bayview II Developer, LLC, is the owner(s) of Units 102, 103, 105, 106, 201, 202, 207, 301, 302, 306, 307, 401, 402, 403, 405, 406, 407, 501, 504, 505, 506, 507, 601, 602, 603, 604, 605, 606, 702, 704, 705, 801, 802, ~~803~~, 804, 805, 806 and 807, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15th day of December, 2011.

Bayview II Developer, LLC

By: Daniel Management Corporation,
Its Manager

By: [Signature]
Its: Sr. Vice President

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John D. Gunderson, whose name as Sr. Vice President of Daniel Management Corporation, as Manager of Bayview II Developer, LLC, 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 executed the same voluntarily on behalf of Daniel Management Corporation, manager of Bayview II Developer, LLC.

Given under my hand and official seal this 15th day of December, 2011.

[NOTARIAL SEAL]

[Signature: Debbie D. Stephens]
Notary Public
My commission expires: 4-5-2014

CONSENT OF OWNERS

The undersigned, Margaret Susan Jones-Perry and Mark D. Perry, as the owners of Unit 502, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 16th day of January ~~2011~~ ^{SP MS} 2012

Margaret Susan Jones-Perry

Mark D. Perry

STATE OF ALABAMA
COUNTY OF BALDWIN

I, the undersigned, a notary public in and for said county in said state, hereby certify that Margaret Susan Jones-Perry and Mark D. Perry, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16th day of January ~~2011~~ ^{SP MS} 2012

[NOTARIAL SEAL]

Kimi Aldufi
Notary Public

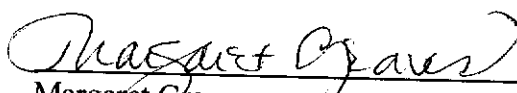
My commission expires:

My Commission
Expires 11-10-2012

CONSENT OF OWNERS

The undersigned, Margaret Graves, as the owner of Unit 703, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

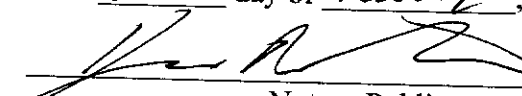
Dated as of the 2 day of 2, 2011.


Margaret Graves

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Margaret Graves whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 2nd day of February, 201¹.



Notary Public

My commission expires: _____

[NOTARIAL SEAL]

MY COMMISSION EXPIRES NOVEMBER 17, 2015

CONSENT OF OWNERS

The undersigned, Mark Fagan and Pamela Fagan, as the owners of Unit 206, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 1 day of FEBRUARY, 2011.

Mark Fagan
Mark Fagan

Pamela Fagan
Pamela Fagan

STATE OF ALABAMA
COUNTY OF BALDWIN
Calhan

I, the undersigned, a notary public in and for said county in said state, hereby certify that Mark Fagan and Pamela L Fagan, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 1 day of February, ²⁰¹²2011.

[NOTARIAL SEAL]

[Signature]
Notary Public
My commission expires: 4-26-14

CONSENT OF OWNERS

The undersigned, John W. Bussey and Lind R. Bussey, as the owners of Unit 101, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 16th day of January, ~~2011~~ ²⁰¹²

John W. Bussey
John W. Bussey

Lind R. Bussey
Lind R. Bussey

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John W. Bussey and Lind R. Bussey, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16th day of January, ~~2011~~ ²⁰¹².

Alice C. May
Notary Public

My commission expires: 12-5-12



CONSENT OF OWNERS

The undersigned, Reneau P. Almon and Debbie P. Almon, as the owners of Unit 305, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 17 day of Dec, 2011.

Reneau P. Almon

Reneau P. Almon

Debbie P. Almon

Debbie P. Almon

STATE OF ALABAMA

COUNTY OF ~~BALDWIN~~ Montgomery)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Reneau P. Almon and Debbie P. Almon, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17th day of December, 2011

[NOTARIAL SEAL]

[Signature]
Notary Public

My commission expires:

11/30/14

CONSENT OF OWNERS

The undersigned, Andrew J. Rudnick, as the owner of Unit 607, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 30 day of ^{June}~~May~~, 2011.



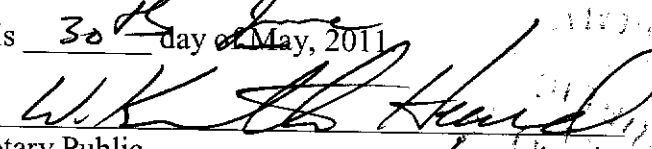
Andrew J. Rudnick

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Andrew J. Rudnick, whose name 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 executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 30th day of ~~May~~^{June}, 2011

[NOTARIAL SEAL]

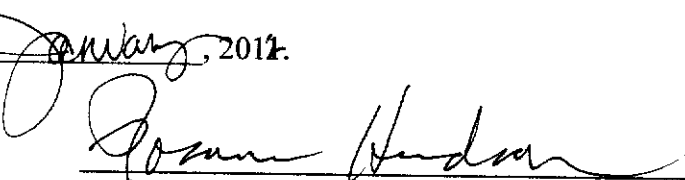

Notary Public

My commission expires: 8/24/13

CONSENT OF OWNERS

The undersigned, Rosann Hudson, as the owner of Unit 303, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 3rd day of January, 2012.



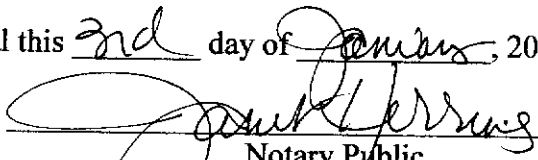
Rosann Hudson

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Jane Herring whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 3rd day of January, 2012.

[NOTARIAL SEAL]



Notary Public
My commission expires: Aug, 3 2012

CONSENT OF OWNER

The undersigned, Gloria J. deShazo, as the owner of Unit 107, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 17 day of March, 2011.


Gloria J. deShazo

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Gloria J. deShazo, whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11/12 day of March, 2011.

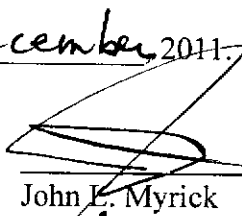
Notary Public
My commission expires: 8/24/13

[NOTARIAL SEAL]

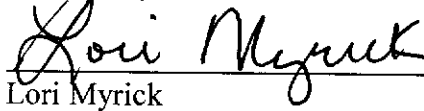
CONSENT OF OWNERS

The undersigned, John L. Myrick and Lori Myrick, as the owners of Unit 203, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15th day of December, 2011.



John L. Myrick

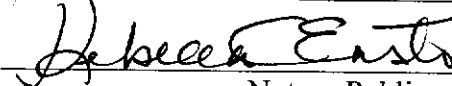


Lori Myrick

STATE OF ~~ALABAMA~~ Florida)
COUNTY OF ~~BALDWIN~~ Escambia)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John Myrick and Lori Myrick, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

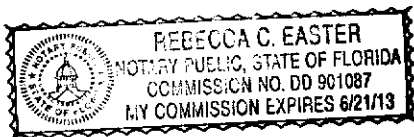
Given under my hand and official seal this 15th day of December, 2011.



Notary Public

[NOTARIAL SEAL]

My commission expires: _____



CONSENT OF OWNERS

The undersigned, Kenneth M. Vittitow and Suellen J. Vittitow, as the owners of Unit 205, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15th day of December, 2011.

Kenneth Vittitow
Kenneth M. Vittitow

Suellen J. Vittitow
Suellen J. Vittitow

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Kenneth M. Vittitow and Suellen J. Vittitow, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of December, 2011.

S.W. Ell
Notary Public

[NOTARIAL SEAL]

My commission expires: 3/23/2014

CONSENT OF OWNERS

The undersigned, James ^{JR} ~~J~~ Rosser and Barbara Allen Rosser, as the owners of Unit 404, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15 day of December, 2011.

James ~~J~~ Rosser

Barbara Allen Rosser
Barbara Allen Rosser

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Barbara Allen Rosser and _____, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of December, 2011.

SL D. Ell

Notary Public

[NOTARIAL SEAL]

My commission expires: 3/23/2014

CONSENT OF OWNERS

The undersigned, Joseph M. Lockwood and Rosie Lynn Lockwood, as the owners of Unit 304, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15th day of December, 2011.

Joseph M. Lockwood
Joseph M. Lockwood
Rosie Lynn Lockwood
Rosie Lynn Lockwood

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that John M. Lockwood and Rosie Lynn Lockwood, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of December, 2011.

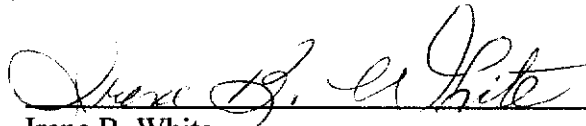
S. O. Ell
Notary Public
My commission expires: 3/23/2014

[NOTARIAL SEAL]

CONSENT OF OWNERS

The undersigned, Irene B. White and Wendy Lu Womble, as the owners of Unit 104, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15 day of Dec, 2011.


Irene B. White

Wendy Lu Womble

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that _____ and Irene B. White, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of December, 2011.



Notary Public
My commission expires: 3/23/2014

[NOTARIAL SEAL]

CONSENT OF OWNERS

The undersigned, Sheila T. Mickler, as the owner of Unit 204, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 15th day of Dec., 2011.

Sheila T. Mickler
Sheila T. Mickler

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Sheila T. Mickler whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 15th day of December, 2011.

S. D. Ell.

Notary Public

[NOTARIAL SEAL]

My commission expires: 3/23/2014

CONSENT OF OWNERS

The undersigned, Thomas H. Griffith and Susan M. Griffith, as the owners of Unit 803, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, do hereby consent to and agree to be bound by all of the terms and provisions of The Colony at The Grand Declaration of Covenants, Conditions and Restrictions to which this Consent of Owners is attached.

Dated as of the 17th day of April, 2012.

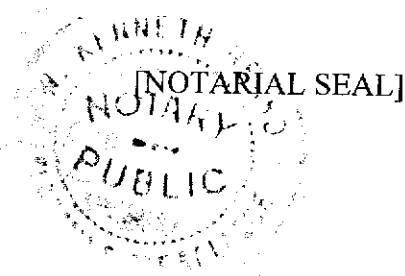
Thomas H. Griffith
Thomas H. Griffith
Susan M. Griffith
Susan M. Griffith

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Thomas H. Griffith and Susan M. Griffith, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17th day of April, 2012.

W. Kenneth Heard
Notary Public
My commission expires: 8/24/13



CONSENT OF OWNERS

The undersigned, Thomas H. Griffith and Susan M. Griffith, as the owner(s) of Unit 803, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 and recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended, together with the Allocated Interest attributable to said Unit, does hereby consent to and agree to be bound by all of the terms and provisions of the Second Amendment to Declaration of Condominium of Bayview II Condominium to which this Consent of Owners is attached which Second Amendment was approved by the Owners in a Ballot Vote, but which has not yet been recorded as of the date hereof.

Dated as of the 17th day of April, 2012.

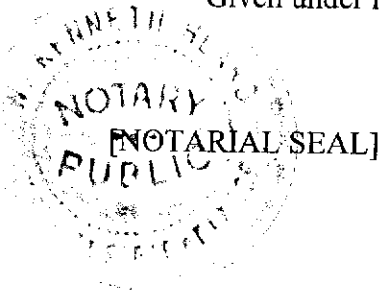
Thomas H. Griffith
Thomas H. Griffith

Susan M. Griffith
Susan M. Griffith

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Thomas H. Griffith and Susan M. Griffith, whose name(s) is/are signed to the foregoing instrument, and who is/are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she/they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17th day of April, 2012.



W. Kenneth Heard
Notary Public
My commission expires: 8/24/13

CONSENT OF MORTGAGEE

This Consent of Mortgagee (this "Consent") is made and entered into as of the 6th day of June, 2012 by **THE TEACHERS RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation, and **THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**, an instrumentality of the State of Alabama formed as a public corporation (collectively, "Mortgagee").

R E C I T A L S:

Mortgagee is the holder of that certain (a) Amended and Restated Future Advance Mortgage dated as of December 12, 2005 executed by Point Clear Partners, LLC, a Delaware limited liability company, recorded as Instrument Number 941988 in the Office of the Judge of Probate of Baldwin County, Alabama (the "Probate Office"), as amended by First Amendment thereto dated as of September 19, 2006 and recorded as Instrument Number 1003093, Pages 1 through 8 in the aforesaid Probate Office, Second Amendment thereto dated as of March 16, 2007 and recorded as Instrument Number 1037944 in the aforesaid Probate Office and Third Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116934 in the aforesaid Probate Office (collectively, the "First Mortgage") and (b) Future Advance Mortgage dated September 27, 2006 (the "Additional Mortgage") executed by Bayview II Developer, LLC, an Alabama limited liability company ("Bayview II Developer"), recorded as Instrument Number 1004412 in the Office of the Judge of Probate of Baldwin County, Alabama, as amended by First Amendment thereto dated as of May 15, 2008 and recorded as Instrument Number 1116936 in the aforesaid Probate Office.

Both the First Mortgage and the Additional Mortgage encumber various real property, including all of the Easement Property, as defined and described in the Easement Agreement (as defined below).

This Consent is attached to and forms a part of that certain Easement Agreement dated as of June 6, 2012 (the "Easement Agreement") executed by Bayview II Developer.

Mortgagee desires to consent to the execution and delivery of the Easement Agreement by Bayview II Developer.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagee does hereby consent to the execution of the Easement Agreement and agrees to be bound by all of the terms and provisions of the Easement Agreement.

IN WITNESS WHEREOF, Mortgagee has executed this Consent as of the day and year first above written.

[Signatures on the following page.]

THE TEACHERS' RETIREMENT SYSTEM OF
ALABAMA

By: [Signature]
Its: CEO

THE EMPLOYEES' RETIREMENT SYSTEM OF
ALABAMA

By: [Signature]
Its: CEO

STATE OF ALABAMA

)

COUNTY OF MONTGOMERY

)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David B. Brummett, whose name as CEO of THE TEACHERS' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama formed as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 15 day of May, 2012.

[Signature]
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 1/18/15

STATE OF ALABAMA

)

COUNTY OF MONTGOMERY

:

)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that David G. Bronner, whose name as CEO of THE EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA, an instrumentality of the State of Alabama formed as a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said public corporation.

Given under my hand and official seal this the 15 day of May, 2012.

William H. DeBeard

Notary Public

[NOTARIAL SEAL]

My Commission Expires:

7/18/15

This instrument prepared by
Stephen R. Monk
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, AL 35203-2104
(205) 521-8000

EXHIBIT A

Legal Description of Unit 2

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-00°08'20"-W, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD, 1131.22 FEET TO A POINT; THENCE RUN N-90°00'00"-W, 431.34 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 870.00 FEET; A DELTA ANGLE OF 17°49'55", A CHORD OF WHICH BEARS S-04°43'35"-W, 269.68 FEET, AN ARC DISTANCE OF 270.77 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 239.25 FEET TO A POINT; THENCE RUN N-62°50'58"-W, 339.67 FEET TO A POINT; THENCE RUN N-06°06'48"-E, 375.00 FEET TO A POINT; THENCE RUN S-85°32'18"-E, 341.99 FEET TO THE POINT OF BEGINNING; CONTAINING 3.51± ACRES, MORE OR LESS.

EXHIBIT B

Legal Description of Easement Property

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN N-89°50'14"-W, 669.89 FEET TO A POINT; THENCE RUN N-00°07'46"-W, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34); THENCE RUN N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 861.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N-89°50'50"-W ALONG SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 167.94 FEET TO A POINT; THENCE RUN N-00°09'10"-E, LEAVING SAID NORTH RIGHT-OF-WAY OF OLD BATTLES ROAD (A.K.A. BALDWIN COUNTY ROAD NUMBER 34), 22.50 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 30.50 FEET, A DELTA ANGLE OF 81°56'59", A CHORD OF WHICH BEARS N-49°10'41"-E, 40.00 FEET, AN ARC DISTANCE OF 43.62 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 350.00 FEET, A DELTA ANGLE OF 08°37'39", A CHORD OF WHICH BEARS N-12°31'00"-E, 52.65 FEET, AN ARC DISTANCE OF 52.70 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 300.00 FEET, A DELTA ANGLE OF 50°22'01", A CHORD OF WHICH BEARS N-42°00'50"-E, 255.31 FEET, AN ARC DISTANCE OF 263.72 FEET TO A POINT; THENCE RUN N-67°11'50"-E, 79.25 FEET TO A POINT; THENCE RUN N-64°54'24"-E, 66.06 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 270.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS N-39°16'28"-E, 233.60 FEET, AN ARC DISTANCE OF 241.58 FEET TO A POINT; THENCE RUN N-13°38'32"-E, 340.00 FEET TO A POINT; THENCE RUN NORTHEASTERLY ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET, A DELTA ANGLE OF 21°28'50", A CHORD OF WHICH BEARS N-02°54'07"-E, 324.26 FEET, AN ARC DISTANCE OF 326.17 FEET TO A POINT; THENCE RUN N-07°50'18"-W, 299.54 FEET TO A POINT; THENCE RUN N-82°09'42"-E, 60.00 FEET TO A POINT; THENCE RUN S-07°50'18"E, 299.54 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 930.00 FEET, A DELTA ANGLE OF 21°28'50", A CHORD OF WHICH BEARS S-02°54'07"-W, 346.63 FEET, AN ARC DISTANCE OF 348.66 FEET TO A POINT; THENCE RUN S-13°38'32"-W, 340.00 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 330.00 FEET, A DELTA ANGLE OF 51°15'51", A CHORD OF WHICH BEARS S-39°16'28"-W, 285.51 FEET, AN ARC DISTANCE OF 295.26 FEET TO A POINT; THENCE RUN S-64°54'24"-W, 66.06 FEET TO A POINT; THENCE RUN S-62°36'57"-W, 26.62 FEET TO A POINT; THENCE RUN SOUTHWESTERLY ALONG A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 292.89 FEET, A DELTA ANGLE OF 49°38'57", A CHORD OF WHICH BEARS S-38°24'50"-W, 245.94 FEET, AN ARC DISTANCE OF 253.80 FEET TO A POINT; THENCE RUN SOUTHEASTERLY

ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 34.50 FEET, A DELTA ANGLE OF $104^{\circ}18'56''$, A CHORD OF WHICH BEARS S- $37^{\circ}41'22''$ -E, 54.49 FEET, AN ARC DISTANCE OF 62.81 FEET TO A POINT; THENCE RUN S- $00^{\circ}09'10''$ -W, 18.50 FEET TO THE POINT OF BEGINNING; CONTAINING 2.63 ACRES, MORE OR LESS

EXHIBIT C

Legal Description of Bayview II Units

Unit Nos. 101 through 807, inclusively, according to the Declaration of Condominium of Bayview II Condominium dated as of May 15, 2008 (the "Declaration"), as recorded as Instrument Number 1116935, Pages 1 through 142 in the Office of the Judge of Probate of Baldwin County, Alabama.