



Property Owners Association, Inc.

AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CRAFT FARMS

This amended declaration of Covenants, Conditions and Restriction made this 5th day of December 2016 by the Craft Farms Property Owners Association consolidates and replaces in total the Master Covenants and all previous amendments.

Amended December 5, 2016

Prepared by:
CFPOA Board of Directors
Covenants Review Committee
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BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
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AMENDED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CRAFT FARMS

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XVII DECLARANT'S RIGHTS

This Article Deleted

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Exhibit "A" describes specifically the property previously owned by Declarant and others affiliated with Declarant all of which is not yet but may be annexed hereto by subsequent amendment.

Exhibit "B" describes the property known as St. Andrews Village which is hereby submitted to this Declaration, and which is subdivided into residential lots.

Exhibit "C" describes the property known as Glen Eagles Village which is hereby submitted to this Declaration, and which is subdivided into residential lots.

Exhibit "D" lists those Villages and Land Segments that have previously been formally annexed into this Declaration. This exhibit also lists the documents filed with the Baldwin County Judge of Probate documenting those annexation actions.

Exhibit "E" defines the requirements and specifications for the allowed Real Estate Signs including For Sale and For Lease Signs.

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTION FOR
CRAFT FARMS

THIS AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTION MADE THIS 5th DAY OF DECEMBER, 2016 BY THE CRAFT FARMS PROPERTY OWNERS ASSOCIATION (CFPOA) CONSOLIDATES AND REPLACES IN TOTAL THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS MADE THE 3RD DAY OF JUNE 1989 BY CRAFT DEVELOPMENT CORPORATION AND CRAFT LAND COMPANY, THE FIRST AMENDMENT DATED SEPTEMBER 25, 1989, THE AMENDED DECLARATION DATED NOVEMBER 18, 2005, THE AMENDMENT OF INSURANCE REQUIREMENTS DATED JUNE 30, 2009, AMENDED DECLARATION DATED JULY 12, 2010, THE AMENDMENT OF 'DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CRAFT FARMS' ARTICLE VII, USE RESTRICTIONS DATED AUGUST 5, 2013 AND ANY OTHER PREVIOUSLY FILED AMENDMENTS. THIS AMENDMENT DOES NOT REPLACE THE SUPPLEMENTAL AMENDMENTS WHICH DOCUMENT AND RECORD THE INDIVIDUAL VILLAGE RESIDENTIAL AND CONSTRUCTION GUIDELINES.

WITNESSETH:

WHEREAS, THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS DOES CONTAIN PROVISIONS IN ARTICLE XV FOR FUTURE AMENDMENT BY THE CRAFT FARMS PROPERTY OWNER'S ASSOCIATION BOARD OF DIRECTORS, AND

WHEREAS, CRAFT FARMS PROPERTY OWNER'S ASSOCIATION BOARD OF DIRECTORS, HAVING RECEIVED AND RECORDED THE WRITTEN CONSENT OF 75% OF THE BOARD OF DIRECTORS, INTEND BY THIS DOCUMENT TO REVISE AND CONSOLIDATE ALL PREVIOUS VERSIONS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, AND

WHEREAS, EXHIBIT A DESCRIBES SPECIFICALLY THE PROPERTY ALL OF WHICH IS NOT YET BUT MAY BE ANNEXED HERETO BY SUBSEQUENT AMENDMENT, AND

WHEREAS, EXHIBIT B DESCRIBES THE PROPERTY KNOWN AS ST ANDREWS VILLAGE WHICH IS HEREBY SUBMITTED TO THIS DECLARATION AND WHICH IS SUBDIVIDED INTO RESIDENTIAL LOTS, AND

WHEREAS, EXHIBIT C DESCRIBES THE PROPERTY KNOWN AS GLEN EAGLES VILLAGE WHICH IS HEREBY SUBMITTED TO THIS DECLARATION, AND WHICH IS SUBDIVIDED INTO RESIDENTIAL LOTS, AND

WHEREAS, EXHIBIT D LISTS THOSE VILLAGES/LAND SEGMENTS WHICH HAVE BEEN OFFICIALLY ANNEXED INTO THIS DECLARATION, AND

WHEREAS, EXHIBIT E DEFINES THE SPECIFICATIONS FOR ALL REAL ESTATE SIGNS INCLUDING FOR SALE AND FOR LEASE SIGNS, AND

WHEREAS, THE CFPOA INTENDS BY THIS DECLARATION TO IMPOSE UPON THE PROPERTIES (AS DEFINED HEREIN) MUTUALLY BENEFICIAL RESTRICTIONS UNDER A GENERAL PLAN OF IMPROVEMENT FOR THE BENEFIT OF ALL OWNERS

OF RESIDENTIAL PROPERTY WITHIN THE PROPERTIES MADE SUBJECT TO THIS DECLARATION AND AMENDMENTS THERETO BY THE RECORDING OF THIS DECLARATION. THE CFPOA DESIRES TO PROVIDE A FLEXIBLE AND REASONABLE PROCEDURE FOR THE OVERALL DEVELOPMENT OF THE PROPERTIES AND INTERRELATIONSHIP OF THE ADMINISTRATION, MAINTENANCE, PRESERVATION, USE AND ENJOYMENT OF SUCH PROPERTIES AS ARE NOW OR MAY HEREAFTER BY SUBJECTED TO THIS DECLARATION.

NOW, THEREFORE, THE CFPOA HEREBY DECLARES THAT ALL THE PROPERTY DESCRIBED IN EXHIBIT "B" "C" AND "D" (HEREINAFTER REFERRED TO AS "PROPERTIES") ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE SHALL BE HELD, SOLD AND CONVEYED OR ENCUMBERED, RENTED, USED, OCCUPIED AND IMPROVED, SUBJECT TO THE FOLLOWING EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS, WHICH ARE FOR THE PURPOSE OF PROTECTING THE VALUE AND THE DESIRABILITY OF, AND WHICH SHALL RUN WITH, THE REAL PROPERTY AND BE BINDING ON ALL PARTIES HAVING ANY RIGHTS, TITLE OR INTEREST IN THE DESCRIBED PROPERTY OR ANY PART THEREOF, THEIR TITLE OR INTEREST IN THE DESCRIBED PROPERTY OR ANY PART THEREOF, THEIR HEIRS, SUCCESSORS AND ASSIGNS, AND SHALL INURE TO THE BENEFIT OF EACH OWNER THEREOF. THIS DECLARATION DOES NOT AND IS NOT INTENDED TO CREATE A CONDOMINIUM WITHIN THE MEANING OF TITLE 35, CHAPTER 8 OF THE CODE OF ALABAMA (1975), AS AMENDED. THE COVENANTS, CONDITIONS AND RESTRICTIONS CONTAINED HEREIN SHALL NOT APPLY TO OR AFFECT ANY REAL PROPERTY DESCRIBED IN EXHIBIT "A" OR OTHERWISE, WHICH IS NOT SUBJECTED SPECIFICALLY BY WRITTEN INSTRUMENT TO THIS DECLARATION.

ARTICLE I

DEFINITIONS

1.1 "Area of Common Responsibility" shall mean and refer to the Common Area together with those areas, if any, which by contract with any Residential Association, any commercial establishment or association, any golf, sports or country club, any apartment building owner or cooperative, become the responsibility of the Association or a governmental entity. In addition, the office of any property manager employed by contract with the Association and located on the Properties shall be part of the Area of Common Responsibility.

1.2 "Association" shall mean and refer to Craft Farms Property Owners Association, an Alabama nonprofit corporation, its successors and assigns.

1.3 "Assessment" shall mean any Base Assessment, Special Assessment or other charge as described in Article X.

1.4 "Base Assessment" shall mean and refer to assessments levied to fund expenses applicable to all Members of the Association.

1.5 "Board of Directors" or "Board" shall be the governing body of the Association having its normal meeting under Alabama law.

1.6 "Bylaws" shall mean the Bylaws of the Association.

1.7 "Common Area" shall mean all real and personal property (including the improvements thereto now owned, hereinafter owned or held by the Association for the common use and enjoyment of the Owners.

1.8 "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Articles of Incorporation and Bylaws of the Association.

1.9 "Community-Wide Standard" shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard may be more specifically determined and set forth by the Architectural Review/Modification Committee and Board of Directors.

1.10 "Declarant" shall mean and refer to Craft Development Corporation and Craft Land Company, Inc., both Alabama corporations, as to the property (real, personal and mixed) owned by either of them and now or hereafter submitted to this Declaration and to any successor or assign designated by recorded document from Declarant as a successor Declarant.

1.11 "District" shall mean and refer to separately designated residential areas representing a political unit for the purpose of electing members of the Board of Directors. Districts shall not be required to be equal in population and a District may be comprised of non-contiguous property. The Board of Directors, by a two-thirds (2/3) vote, may establish, modify and amend the District boundaries. Such change in District boundaries shall not constitute an amendment to this Declaration and shall not require the formality thereof. In the absence of specific designation or separate District status, all Properties made the subject to this Declaration shall be considered a part of the same District. District may sometimes be referred to as Electoral District.

1.12 "Land Segment" shall mean and refer to a Parcel and other property subject to this Declaration, which is held for the purpose of development.

1.13 "Land Segment Owner" shall mean and refer to one or more persons or entities, other than the Declarant, who hold record title to any Land Segment and Who shall be deemed to own as many Units as shown on the Master Land Use Plan, or if platted, as shown on the plat map.

1.14 "Master Land Use Plan" shall mean and refer to the plan for the development of Craft Farms.

1.15 "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

1.16 "Owner" shall mean and refer to one or more persons or entities that hold the record title to any Unit, which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract of sale, the purchaser (rather than the fee owner) will be considered the Owner. Owner shall also be deemed to include a Land Segment Owner and the Declarant.

1.17 "Parcel" shall mean any portion of the Properties designated as "Parcel" by reference on the plats of Craft Farms, and which may be so designated in any subsequent phases of the development of the Properties.

1.18 "Person" means a natural person, a corporation, a partnership, trustee, or other legal entity.

1.19 "Properties" shall mean and refer to the real property described in Exhibit "B" attached hereto and incorporated by reference and shall further refer to such additional property as may hereafter be annexed by Subsequent Amendment to this Declaration or which is owned by the Association.

1.20 "Residential Association" shall mean a condominium or Subdistrict homeowner association that has been formed to govern and manage common property and/or facilities that are used exclusively by the members of the Residential Association.

1.21 "Sanctions" shall mean the imposition of reasonable monetary fines, suspension of the right to vote and/or the right to use the Common Area, together with interest, costs, and reasonable attorney's fees, including appellate attorney's fees and costs, for Violations. Imposition of Sanctions shall be as provided in the Bylaws of the Association, as may be amended from time to time.

1.22 "Special Assessment" shall mean and refer to assessments levied in accordance with Section 10.03 of this Declaration.

1.23 "Subdistrict" shall mean and refer to a geographical area or areas, usually comprised of one housing type of similar density representing a political unit for the purpose of electing Voting Members. A Subdistrict may, but is not required to be comprised of the Units in a Residential Association. Subdistricts shall not be required to be equal in population and a Subdistrict may be composed of noncontiguous property. The Board of Directors, by two-thirds (2/3) vote, may establish, modify and amend the Subdistrict boundaries. Such amendment shall not constitute an amendment to this Declaration and shall not require the formality thereof. In the absence of specific designation of separate Subdistrict status, all Properties made the subject to this Declaration shall be considered a part of the same Subdistrict.

1.24 "Subdistrict Assessments" shall mean assessments for Common Expenses provided for herein or by any Subsequent Amendment which shall be used for the purposes of promoting the recreation, welfare, common benefit, and enjoyment of the Owners and occupants of the Units against which the specific Subdistrict Assessment is levied and for maintaining the Properties within a given Subdistrict, all as may be specifically authorized from time to time by the Board

of Directors and as more particularly authorized below. Subdistrict Assessments shall be levied equally against Owners of Units of a Subdistrict for such purposes as are authorized by this Declaration or by the Board of Directors from time to time, provided that in the event of improvements or assessments for exterior maintenance of structures, or insurance on structures, or replacement reserves which pertain to particular structures (pursuant to an amendment to this Declaration), such assessments (that are for the use and benefit of particular units) shall be levied on a pro rata basis among benefited Owners.

1.25 "Subsequent Amendment" shall mean an amendment to this Declaration that adds additional property to that covered by this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional and/or stricter covenants, conditions and restrictions on the land submitted by that Amendment to the provisions of this Declaration.

1.26 "Unit" shall mean a portion of the Properties located within the area designated as a residential area on the Master Land Use Plan, as amended from time to time. A Unit shall mean and include a lot whether improved or unimproved and each single family living unit in a condominium building. For the purposes of this Declaration, a Unit shall come into existence when the lot is platted, or in the case of a condominium, when the declaration of condominium is recorded in the public records.

1.27 "Violation" shall mean any act(s) or omission(s) by a Member, guest, renter, occupant, tradesman, or a person in a Member's household, which is/are contrary to, or inconsistent with, any portion or section of this Declaration, the Articles of Incorporation, or the Bylaws, including, but in no way limited to, Rules and Regulations promulgated by the Board.

1.28 "Voting Member" shall mean and refer to a Land Segment Owner(s), as well as, the representative elected by the Members in each Subdistrict. The Voting Member from each Subdistrict shall be the senior elected officer (e.g., Subdistrict Committee Chairman or Association President) from that component; the Alternate Voting Member shall be the next most senior officer unless otherwise provided in this Declaration.

ARTICLE II

PROPERTY RIGHTS

2.1 Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to the terms of this Declaration and to any restrictions or limitations contained in any deed or amendment to this Declaration conveying to the Association or subjecting to this Declaration such property; provided, however, that every Owner shall have an unrestricted right of ingress and egress between the Owner's Unit and a public Road.

2.2 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, his or her right of enjoyment of the Common Area and facilities to the members of his family, tenants and social invitees.

2.3 User Fees-Suspension of Rights. The Association reserves the right to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area and to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Unit remains unpaid, and for a period not to exceed 60 days for any infraction of its published rules and regulations.

2.4 Dedication of Common Area to Governmental Entity. The Board shall have, by a two-thirds (2/3) vote, the power to dedicate all or part of the Common Area to the appropriate local, state or federal governmental entity.

2.5 Cotton Creek Club, Inc. Cotton Creek Club, Inc. (the Club) is an Alabama nonprofit corporation and is established as a private Club whose members may or may not be Owners within the Craft Farms development. No Owner or occupant gains any right to enter or use the golf course, clubhouse or related facilities or is entitled to special consideration for membership therein by ownership or occupancy of a unit. The Owners and the Association hereby covenant that they will take no action that will adversely impact the operation, appearance and the aesthetic concerns of the Cotton Creek Club, Inc.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner shall be deemed to be a member in the Association while he remains an owner but each unit shall have only one (1) vote, regardless of the number of owners thereof. The rights and privileges of membership, including the right to vote as set forth herein, may be exercised by a Member or by written proxy of the Member's attorney-in-fact. Membership in the Association shall pass with the title to each Unit as an appurtenance thereto.

3.2 Voting Rights. The Association shall have one (1) class of membership, Class "A" who are owners of units within Craft Farms. Members, in good standing, are entitled to one (1) vote for each Unit owned.

3.3 Voting Members. Voting Members are elected by the membership and shall also serve on Board of Directors of the Craft Farms Property Owner's Association. Voting Member/Director shall be entitled to cast votes at Association meetings on matters pertaining to the Association including amending the Declaration, the Articles of Incorporation and the Bylaws of the Association, and all other matters which may be brought before the Association membership, except as otherwise provided in this Declaration or the Bylaws. The membership of each Subdistrict shall biennially elect one Voting Member who shall be deemed to have a non-revocable proxy for all Members within that Subdistrict for that period. The election shall be conducted in accordance with the biennial meeting requirements specified in Article II of the By Laws. The membership for each Subdistrict may also select an alternate who shall serve as the Voting Member in the event the Voting Member is unable to serve. A Voting Member elected by the Members within the Subdistrict shall have the authority to cast one (1) vote for said Subdistrict. No Member shall have the right to cancel, withdraw or otherwise affect the right of the Voting Members to cast the vote as long as the Voting Member was properly elected by the owners of units within the Subdistrict. In the event the Voting Member and the Alternate Voting Member are unable to serve, the Board of Directors shall select Voting Member/Director for Subdistrict for the remaining term of office.

ARTICLE IV

MAINTENANCE

4.1 Association's Responsibility. The Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, internal private roadways, lakes and any improvements which may be situated upon such areas. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area that shall be maintained out of regular assessments for Common Expenses.

The Association may, at the discretion of its Board, assume the maintenance responsibilities set out in this Declaration or in any Subsequent Amendment or Declaration subsequently recorded which creates any Residential Association, District or Subdistrict or upon any Land Segment upon all or any portion of the Properties. In such event, all costs of such maintenance shall be assessed only against those Members in the District, Subdistrict and Land Segment or Residential Association to which the services are provided. This assumption of responsibility may take place either by contract or because, in the opinion of the Board, the level and quality of service being provided is not consistent with the Community-Wide Standard of the Properties. The provision of services in accordance with this Section shall not constitute discrimination within a class.

4.2 Owner's Responsibility. In accordance with any additional Declaration and Subsequent Amendments to this Declaration which may be filed on portions of the Properties and in accordance with this Declaration, all maintenance of a Unit and all structures, parking areas, and other improvements within a Unit shall be the sole responsibility of the Owner thereof who shall perform such maintenance in a manner consistent with this Declaration, the Community-Wide Standard and the applicable covenants; provided further, if this work is not properly performed by the Owner, the Association may perform it and assess the Owner as a Special Assessment; provided, however, whenever entry is not required in an emergency situation, the Association shall afford the Owner reasonable notice and opportunity to cure the problem prior to entry. Anything to the contrary notwithstanding, the Association may provide mandatory maintenance for certain areas of the properties and charge the Owner(s) for it.

4.3 Mandatory Maintenance. Anything to the contrary herein notwithstanding, the Association may provide mandatory landscaping and maintenance for any property submitted to this Declaration, to provide uniformity, and charge the Owner(s) the reasonable cost thereof. The Association shall have an easement over the pertinent Unit(s) for providing such maintenance and all things reasonably related thereto.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

5.1 Association Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket all-risk insurance, if reasonably available, for all insurable improvements on the Common Area and may, but shall not be obligated to assume the responsibility for providing the same insurance coverage on the Properties contained within a District, Subdistrict or Residential Association. If blanket all-risk coverage is not reasonably available, then, at a minimum, an insurance policy providing fire and

extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover fifty percent (50%) of the replacement cost of the repair or reconstruction of all Association owned streetlights, buildings and structures in the event of damage or destruction from any insured hazard.

In addition to casualty insurance on the Common Area, the Association may, but shall not under any circumstances be obligated to obtain and continue in effect adequate blanket all-risk casualty insurance in such form as the Board of Directors deems appropriate for one hundred percent (100%) of the replacement cost of all structures comprising Residential Units. If the Association elects not to obtain such insurance, then an individual District or Subdistrict may obtain such insurance as a common expense of the District or Subdistrict to be paid by District or Subdistrict Assessments, as defined in Article X hereof. In the event the Association, a District, or Subdistrict or a Residential Association obtains such insurance, the provisions of this Article shall apply to policy provisions, loss adjustment, and all other subjects to which this Article applies with regard to insurance on the Common Area. All such insurance shall be for the full replacement cost. All such policies shall provide for a certificate of insurance for each Member insured to be furnished to the Association, District, Subdistrict or Residential Association, as applicable.

The board shall also obtain a public liability policy covering the Common Area, the Association and its Members for all damage or injury resulting from operation, maintenance or use of the Common Area, or caused by the negligence of the Association or any of its Members or agents, and any legal liability that results from lawsuits relating to employment contracts with the Association in which the Association is a party. The public liability policy shall have at least a One Million Dollar (\$1,000,000.00) single person limit as respects bodily injury and property damage, a One Million Dollar (\$1,000,000.00) limit per occurrence, and a Five Hundred Thousand Dollar (\$500,000.00) minimum property damage limit.

Premiums for all insurance on the Common Area shall be Common Expenses of the Association; premiums for insurance provided to Residential Association, Districts or Subdistricts shall be charge to those Associations, Districts or Subdistricts. The policy may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be responsible for the repair in the absence of insurance and in the event of multiple parties shall be allocated in relation to the amount each party's loss bears to the total.

Cost of insurance coverage obtained by the Association for the Common Area shall be included in the Base Assessment, as defined in Section 1.04 and as more particularly described in Article X hereof.

All such insurance coverage obtained by the Board of Directors shall be written in the name of Association as Trustee for the respective benefited parties, as further identified in subsection (b) below. The provisions hereinafter set forth shall govern such insurance:

(a) All policies shall be written with a company licensed to do business in Alabama and holding a rating of A-XI or better in the Financial Category as established by A. M. Best Company, Inc., if reasonable available, or, if not available, the most nearly equivalent rating.

(b) All policies on the Common Area shall be for the benefit of the Owners and their Mortgagees as their interests may appear; all policies secured at the request of a Subdistrict or

Residential Association shall be for the benefit of the Owners and Mortgagees of Units within the District, Subdistrict or Residential Association.

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

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgages.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

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

(ii) A waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;

(iii) That no policy may be cancelled invalidated or suspended on account of any one or more individual Owner;

(iv) That no policy may be cancelled, invalidated, or suspended on account of the conduct of any Director, officer or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or mortgagee;

(v) That any "other insurance" clause in any policy exclude individual Owner's policies from consideration; and

(vi) That no policy may be cancelled or substantially modified without at least thirty (30) days prior written notice to the Association.

In addition to the other insurance required by this Section 5.01, the Board shall obtain, as a Common Expenses, worker's compensation insurance, if and to the extent necessary and a fidelity bond or bonds on Directors, officers, employees and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the Directors' best business judgment but may not be less than three (3) months' assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

In addition, the Board of Directors may purchase Directors and Officers Liability Insurance to protect them during their terms as Directors, and may purchase other forms of insurance they deem necessary and appropriate for the Association.

5.2 Individual Insurance. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other owners and with this Association that in the event of a partial loss or damage and destruction resulting in less than total destruction of structures comprising his Unit, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the Owner determines not to rebuild or to reconstruct, the Owner shall clear the Unit of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction.

A District, Subdistrict or Residential Association may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Unit and the standard for returning the Unit to its natural state in the event the Owner decides not to rebuild or reconstruct.

5.3 Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction, as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by such Mortgagee.

(b) If it is determined as provided for in Section 5.04, that the damage or destruction to the Common Area for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner provided for excess proceeds in Section 5.03(a) hereof.

5.4 Damage and Destruction. Immediately after the damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Properties. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Properties to substantially the same condition in which they existed prior to the fire or other casualty.

(a) Any damage or destruction to the Common Area (or to the common property of any District, Subdistrict or Residential Association) shall be repaired or reconstructed unless the Voting Members representing at least seventy-five (75%) percent of the total votes of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If, for any reason, either the amount of the insurance proceeds to be paid as a result of such damage

or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether the Common Area damage or destruction shall be repaired or reconstructed.

(b) In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event the Properties shall be restored to their natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

5.5 Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall levy a Special Assessment against all Owners in proportion to their membership interest. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE VI

ARCHITECTURAL STANDARDS

The Board of Directors shall appoint an Architectural Review/Modification Committee (ARMC). This committee shall be comprised of at least six (6) persons, three or more of whom shall be resident homeowners.

The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review/Modifications Committee established in Sections 6.01, including the recovery of damages, costs, reasonable attorneys' fees (including appellate attorney's fees and costs) and declaratory and injunctive relief.

No construction, which term shall include within its definition, without limitation, staking, clearing, excavation, modification, extensions, additions, alterations, grading and other site work and no plantings or removal of plants, trees or shrubs shall take place except in strict compliance with this Article until the requirements thereof have been fully met, and until the approval of the appropriate committee has been obtained.

6.1 Architectural Review/Modification Committee. The Architectural Review/Modification Committee (ARMC) shall have exclusive jurisdiction over all new construction on any portion of the Properties, as well as, modifications, additions or alterations made on or to existing Units and the open space, if any, appurtenant thereto. It will not be necessary that ARMC Guidelines be recorded in the Baldwin County Public Records, but they may be for the convenience of the ARMC. The guidelines shall be those of the Association, and the ARMC shall obtain board approval before amending the same. The current guidelines shall be made available to Owners who seek to engage in development of, construction upon or modification of all or any portion of the Properties and such Owners shall conduct their operations strictly in accordance therewith.

The Architectural Review/Modification Committee shall promulgate detailed standards and procedures governing its areas of responsibility and practice. In addition thereto, the following shall apply. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions or alterations, shall be submitted to the Committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired. In the event that the Committee fails to approve or to disapprove such plans or to request additional information reasonable required within forty-five (45) days after submission, the plans shall be deemed approved.

6.2 Modification Committee. This paragraph deleted in Nov 18, 2005 amendment.

ARTICLE VII

USE RESTRICTIONS

The Board of Directors is hereby empowered to promulgate and enforce general standards of behavior and use of Properties within the Planned Unit Development known as Craft Farms. Therefore, the Board of Directors is hereinafter empowered to enforce the following covenants and restrictions and to set forth policy as to enforcement thereof in accordance with the Bylaws.

7.1 Accumulation of Refuse. No lumber, metals, bulk materials (except lumber, metals, bulk materials as are usual in the maintenance of a private residence and which must be stored in such a manner so that it cannot be seen from adjacent and surrounding property), refuse or trash shall be kept, stored or allowed to accumulate on any part of the Properties, except building materials during the course of construction of any approved structure. Builders must provide dumpsters on the property during the construction period. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open, on any day that a pick-up is to be made, at such place on the Unit to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so that they cannot be seen from adjacent and surrounding property. The Architectural Review/Modification Committee, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on the Properties.

7.2 Animals. No animals, livestock, insects, reptiles or poultry shall be kept or maintained on any part of the Properties without the express written consent of the Board of Directors of the Association except for not more than two (2) usual household pets kept for purposes other than breeding or commercial. However, those pets which are permitted to roam free, or in the sole discretion of the Board, endanger the health, safety, make objectionable noise, or constitute a nuisance, danger or inconvenience to the Owner(s) of other unit(s) or property adjacent to the Properties may be removed by the Board after notice to the pet owner, unless health and safety reasons exist.

7.3 Antennas. No exterior satellite, television or radio antennas larger than 1 meter (39.4

inches) in length, width or cross section shall be placed, allowed, or maintained upon any portion of the Properties including any Unit, without the prior written consent of the Board or its designee.

7.4 Approved Builders List. This paragraph deleted.

7.5 Business Activity. Subject to Section 7.18 of this Article VII, no profession or home industry shall be conducted in or on any part of a Unit or in any improvements thereon on the Properties. The Board of Directors of the Association, in its discretion, upon consideration of the circumstances in each case, and particularly the effect on surrounding property, may permit a Unit or any improvement thereon to be used in whole or in part for the conduct of a profession or home industry. No such profession or home industry shall be permitted, however, unless it is considered by the Board of Directors, to be compatible with a high quality residential Subdistrict. This section does not authorize or permit any business activity in violation of the zoning laws or regulations of any governmental authority.

7.6 Carports and Garages. No carports or garages shall open toward the front unless approved by the Architectural Review/Modification Committee.

7.7 Chimney Flues. Exposed chimney flues shall be enclosed.

7.8 Clothes Lines. No clothing or any other household fabrics shall be hung in the open on any Unit unless the same is not visible from any adjoining property or public view.

7.9 Commercial Trucks. No commercial truck, vehicle or equipment shall be permitted to be parked or to be stored at any place on the Properties. This prohibition on parking shall not apply to temporary parking of trucks and commercial vehicles used for pick-up and delivery. Further provided, an automobile, van or pickup regularly used by an Owner as personal transportation to and from Owner's business and which is capable of being parked inside Owners residential garage shall not be considered a commercial vehicle even though it may have a sign or logo on the side or rear thereof.

7.10 Connection Point for Utilities Service. To the extent of the interests of the Owner of each Unit, such Owners agree to connect utility service lines (including, but not limited to, gas, water, sewer and electricity) at points designated by zoning laws or regulations of any governmental authority.

7.11 Garbage Containers, Oil and Gas Tanks, Swimming Pool Equipment. All garbage and trash containers, oil tanks, bottled gas tanks and swimming pool equipment and housing must be underground or placed in walled-in areas or landscape areas so that they are not visible from any adjoining property. Subject to these covenants and the guidelines promulgated by the ARMC, adequate landscaping shall be installed and maintained by the Owner.

7.12 Irrigation. No sprinkler or irrigation systems of any type which draw upon water from creeks, streams, rivers, lakes, ponds, canals or other waterways within the Properties shall be installed, constructed or operated within the Properties unless prior written approval has been received from the ARMC. All sprinkler and irrigation systems shall be subject to approval in accordance with Article VI of this Declaration and shall draw water only from city water supplies or wells.

7.13 Landscaping Mandatory. Each owner shall landscape his unit upon occupation thereof subject to these covenants and the guidelines promulgated by the ARMC.

7.14 Machinery. No machinery shall be placed or operated upon any Unit except such machinery as is usual in maintenance of a private residence.

7.15 Mail Boxes. The Architectural Review/Modification Committee must approve the design of all mailboxes.

7.16 Maintenance of Hedges and Plants. The Association shall have the right to enter upon any part of the Unit and trim or prune, at the expense of the Owner, any hedge or other planting which in the opinion of the Association or the Architectural Review/Modification Committee, by reason of its location upon the Unit or the height to which it is permitted to grow, is unreasonably detrimental to the adjoining property or obscures the view of street traffic or is unattractive in appearance; provided, however, that the Owner shall be given fifteen (15) days' prior written notice of such action.

7.17 Mining. To the extent of the interest of the Owner of a Unit, no Unit shall be used for the purposes of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

7.18 Model House, Real Estate Office. All else herein notwithstanding, with the written approval of the Architectural Review/Modification Committee, any Unit may be used for a model home or for a real estate office.

7.19 No Garage Sales. No garage sale, yard sale or similar activity is permitted.

7.20 Nuisances. No obnoxious, offensive or illegal activities shall be carried on upon any Unit nor shall anything be done on any Unit that may be or may become an annoyance or nuisance to the Subdistrict.

7.21 Parking. The Owner of a Unit on a public street shall provide space for the parking of at least three (3) automobiles, unless modified by the Architectural Review/Modification Committee, per dwelling unit. Parking must be confined to the interior of the Unit within a garage or driveway and not on public right of way or yard area of the unit.

7.22 Pipes. To the extent of the interest of the Owner of a Unit no water pipe, gas, sewer pipe or drainage pipe shall be installed or maintained on or at any Unit above the surface of the ground, except hoses and movable pipes used for irrigation purposes.

7.23 Prohibited Uses. No person shall, without the written approval of the Association, do any of the following on any part of the Common Area: (a) Use boats on any lake, pond or stream; (b) boat or fish (No permission to boat or fish will be granted to anyone under the age of sixteen, unless same is to be accompanied by an adult); (c) permit the running of animals except when on a leash; (d) light any fires except in designated picnic area; (e) fell any trees or injure or damage any landscaping; (f) interfere with any drainage, utility or access easement; (g) build any structures, recreational or other common facilities other than those approved by the Architectural Review/Modification Committee; (h) discharge any liquid or material other than natural drainage into any lake, pond or water course, except that used for heating and cooling; (i) alter or obstruct any lakes, ponds or water courses; or (j) interfere with any water control structures or apparatus.

There shall be no swimming or wading by anyone in any part of the lakes, ponds or streams on the Total Property nor shall any person violate rules and regulations that may be established by the Association governing the use of the Common Areas.

7.24 Recreational Vehicles. No boat, boat trailer, house trailer, horse trailer, trailer, camper, motor home or any similar items shall be stored on or at any Unit for a period of time in excess of twenty-four (24) hours, unless housed in a garage, or parked beyond the building set back line and otherwise screened so that it cannot be seen from adjacent and surrounding property.

7.25 Remedies for Vehicle and Recreational Equipment Violations. Any such vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the rules and regulations now or hereafter adopted by the Association may be towed by the Association at the sole expense of the Owner of such vehicle or recreational equipment if it remains in violation for a period of twenty-four (24) hours. The Association shall not be liable to the Owner of such vehicle or recreational equipment for trespass, conversion or otherwise, nor guilty of any criminal act by reason of such towing and neither its removal or failure of the Owner to receive any notice of said violation shall be grounds for relief of any kind.

7.26 Signs. No sign or other advertising device of any nature shall be placed upon any part of the Properties except as provided herein. The Architectural Review/Modification Committee shall adopt and promulgate rules and regulations relating to signs and other advertising devices. Real Estate Signs advertising 'For Sale' or 'For Lease' must comply with the requirements defined in Exhibit 'E'. One single sided, compliant Real Estate sign may be placed in front of the property and must be facing the street. Also, one single sided, compliant Real Estate sign may be placed at the rear of the property and must be facing the golf course. The Architectural Review/Modification Committee must approve all other temporary advertising devices.

7.27 Solar Collectors. No solar collectors shall be permitted without the prior written consent of the Architectural Review/Modification Committee and when allowed shall be installed so as not to be visible from any street.

7.28 Subdivision or Partition. No Unit shall be split, divided or subdivided for sale, resale, gift, and transfer or otherwise.

7.29 Temporary Structures. No temporary building, trailer, garage or building in the course of construction or other structure shall be used, temporarily, or permanently, as a residence on any part of the Properties.

7.30 Underground Utilities. To the extent of the interest of the Owner of a Unit, the Owner of a Unit will not erect or grant to any person, firm or corporation the right, license or privilege to erect or use or permit the use of overhead wires, poles, or overhead facilities of any kind for electrical or telephone service on said real estate (except such poles and overhead facilities as may be required at those places where distribution facilities enter and leave the particular area) without the prior written consent of the Architectural Review/Modification Committee. Nothing herein shall be construed to prohibit overhead street lighting or ornamental yard lighting, where serviced by underground wires or cables.

Where underground electric service is to be installed, in order to permit installation of underground electric service to each Unit for the mutual benefit of all owners therein, no Owner

of any such Unit will commence construction of any house on any such Unit until such Owner (1) notifies the electric utility that such construction is proposed, (2) grants in writing to the electric utility such rights and easements the electric utility requires in connection with its construction, operation, maintenance and removal of underground services lateral on each Unit, and (3) otherwise complies with the Rules and Regulations for Underground Residential Distribution on file with and approved by the Alabama Public Service Commission.

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

7.31 Vehicle Maintenance and Repair. No maintenance or repairs shall be performed on any vehicles upon any portion of the Properties, unless performed in a garage, except in an emergency situation. Notwithstanding the foregoing, all repairs to any disabled vehicles within the Properties must be completed within four (4) hours from its immobilization or the vehicle must be removed. The Association shall be allowed to maintain and store its maintenance vehicles on specific areas of the Property as necessary for the operation and maintenance of Craft Farms.

7.32 Wall and Window Air Conditioning Units. Wall and window air conditioning units shall not be permitted except with the prior, written consent of the Architectural Review/Modification Committee.

7.33 Walls, Fences, Screened Enclosures. No walls, fences, Screened Enclosures shall be erected without the approval of the Architectural Review/Modification Committee. Chain link or wire fences are not allowed. Perimeter or yard fencing is prohibited on golf course and golf course lake fronting lots. Fencing may be allowed on interior lots subject to review and approval by the ARMC. Barriers, per the 2009 ICC International Residential Code (Appendix G), around the perimeter of pools and patios are limited to a maximum of 48 inches above the patio/pool structure and must be approved by the ARMC. Screened enclosures, per the 2009 ICC International Residential Code (Appendix H), must be approved by the ARMC.

7.34 Occupants Bound. All provisions of the Declaration and of any rules and regulation or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against owners shall also apply to all occupants of any Unit.

7.35 Use Authorized by Architectural Review/Modification Committee. Notwithstanding other provisions herein, the Architectural Review/Modification Committee may authorize any Owner with respect to his Unit to:

- (a) Temporarily use a single-family dwelling house for more than one family;
- (b) Maintain a sign other than as expressly permitted herein; or
- (c) Locate structures other than the principal dwelling house for residence purposes on a temporary basis.

7.36 Use of Property. No previously approved structure shall be used for any purpose

other than that for which it was originally designed.

7.37 Tenants. Any Owner of a Unit which is leased shall cause his tenant to register with the Association by delivering a written statement to the Secretary, which statement shall set out the name of the Owner and tenant, the Unit leased and the duration of the lease. Such an Owner shall further cause his tenant to be provided with a copy of the Association documents, including this Declaration, the Articles of Incorporation and Bylaws of the Association, the ARMC guidelines and any other document normally included in the set of documents furnished to a new Owner

7.38 Duration of Lease(s). It shall be and hereby is prohibited for any Unit or part thereof to be leased, rented or possession similarly transferred except for a term of at least ninety (90) days.

7.39 Moving Containers. Moving containers such as PODS, U-Pack, U-Box or other similar moving and storage containers may be placed on the unit owners driveway, not more than ten feet from the house, for a maximum of 7 days. Any deviation will require ARMC approval.

7.40 Inoperable Vehicles. Inoperable vehicles shall not be stored on any part of the owners unit visible from the street, the golf course, or your neighbor's property. An inoperable vehicle is any motor vehicle that is not in operating condition or does not display valid license plates. Using a Car Cover to conceal the inoperable vehicle does not meet the requirements of this restriction. Any vehicle that remains parked and visible with or without a car cover for more than 7 days will be considered to be inoperable unless the owner has previously coordinated with the POA Village Director.

7.41 Play Equipment or Recreational Equipment. The definition of Play Equipment or Recreational Equipment includes, but is not limited to, the following: basketball goals; football goals; hockey goals; soccer goals; hitting, throwing or kicking nets; trampolines; wading and inflatable pools; play sets; play houses; swing sets, gym set, volleyball net and court, badminton net and court, horseshoe court and sand box, and similar type equipment.

Play Equipment or Recreational Equipment that requires installation or major assembly and cannot be removed and stored when not in use is prohibited.

Play Equipment or Recreational Equipment that is portable/moveable is allowed with the following condition.

All Play Equipment or Recreational Equipment must be stored out of sight when not in use. When not in use, it must be hidden from view as viewed from the Street, Adjacent Lot(s), Golf Course or Common Area. Owners/Residents not storing Play Equipment or Recreational Equipment out of sight shall be in violation of the Covenants and may be subject to Sanctions.

ARTICLE VIII

WATERFRONT AREAS AND WATERWAYS

8.1 Restrictions on Lakes and Lakefront Areas. Any Unit, which shall abut any lake, stream, pond or other waterway, shall be subject to the following additional restrictions:

(a) No pier, dock or other structure or obstruction shall be built or maintained upon any waterfront Unit or into or upon any Waterway on the Properties or adjacent thereto except with the specific written approval of the Architectural Review/Modification Committee.

(b) Except with prior written approval of the Association or Architectural Review/Modification Committee, no device may be constructed or installed upon any Unit which shall in any way alter the course of natural boundaries or any Waterway or which shall involve or result in the removal of water from any waterway.

(c) All such Units shall be subject to a perpetual easement in favor of the Association over that portion thereof designated on the face of the Plat as a "Storm Drainage Overflow Easement" including the right to overflow and submerge the portion of the Unit included therein.

(d) The Owner of each Unit shall have the right at all times of ingress and egress to and from the water, but shall be responsible for the maintenance of the Unit between the side lot lines of his property to the water's edge.

(e) The Owner of each Unit abutting the water's edge shall release and discharge the Declarant, the Association and the City of Gulf Shores, Alabama, a municipal corporation, from any and all claims for debt or damage sustained by Owner or existing in Owner's favor, to Owner, Owner's property and property rights heretofore or hereafter to be sustained or to accrue by reason or account of the operation and maintenance of said lakes.

ARTICLE IX

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

9.1 Common Area and Rights-of-Way. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management, maintenance and control of all of the Common Area within the Properties, and all improvement thereon, and shall keep them in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

9.2 Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, will accept any personal property conveyed to it by the Declarant or his successor "as is" and any real property within the Total Property as shown on Exhibit A conveyed to it by Declarant or its successor, providing such property is suitable for the purpose conveyed.

9.3 Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. The Board may impose Sanctions for Violation(s) of such reasonable rules and regulations. The Board shall, in addition, have the power to seek relief in any court for Violations or to abate nuisances.

In addition, the Association, through the Board, may by contract or other agreement enforce local ordinances on the Properties for the benefit of the Association and its members.

9.4 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonable necessary to effectuate any such right or privilege.

ARTICLE X

ASSESSMENTS

10.1 Creation of Assessments. There are hereby created assessments for Common Expenses as may be from time to time specifically authorized by the Board of Directors to be commenced at the time and in the manner set forth in Section 10.06 hereof. Assessments shall be allocated equally for each membership; provided, however, Owners of a Land Segment (i.e., unimproved Parcel as shown on the face of the Craft Farms plat) shall be assessed at a rate equal to twenty-five percent (25%) of the Base Assessment for any unimproved Units, but shall pay the full assessment per Unit when improvements begin or within two years from the date of becoming a land segment owners, whichever occurs earlier

(a) District and/or Subdistrict Assessments, when so determined and authorized by the Board, shall be levied against Units in particular portions of the Properties or in Residential Associations for whose benefit Common Expenses are incurred which benefit less than the whole Association. The Subdistrict Assessments shall be establish based on the actual cost of the benefit received and shall be levied on the benefited Units.

(b) Each Owner, by acceptance of his deed or recorded contract of sale, is deemed to covenant and agree to pay these assessments. All such assessments, including Special Assessments and Sanctions, together with interest at the rate often percent (10%) per annum or highest legal rate, costs, and reasonable attorney's fees, including appellate attorney's fees and costs, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made.

(c) All Assessments, including Special Assessments and Sanctions, together with interest, costs, and reasonable attorney's fees, including appellate attorney's fees and costs, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose, and his good faith grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance only to the extent expressly assumed, except no first Mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual assessment for delinquents. Unless the Board otherwise provides, the assessments shall be paid in quarterly installments.

(d) The Assessments levied by the Association shall be used exclusively to promote the recreation and welfare of the residents in the Properties and for the government, administration,

improvement and maintenance of the Common Area and of the homes situated upon the Properties.

(e) All properties dedicated to, and accepted by, a local public authority and all Properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Alabama shall be exempt from the assessments created herein, except no land or improvements devoted to dwelling use shall be exempt from said assessments.

(f) The Association is specifically authorized to enter into any contracts with any entity for the payment of some portion of the Common Expenses.

10.2 Computation of Assessment. It shall be the duty of the Board to cause the Finance Committee to, in accordance with the CFPOA Finance and Accounting Handbook, prepare the district budget and each Subdistrict committee to prepare the Subdistrict budget. The budget shall include a capital contribution establishing a reserve fund and shall separately list general and Subdistrict expenses, if applicable. The budget and the assessments shall become effective at the meeting by a vote of the Voting Members.

(a) Notwithstanding the foregoing, however, in the event the Voting Members disapprove the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget has been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

(b) The Association may not, without the vote or written consent of the Voting Members representing a majority of the Association, impose a Base Assessment per Unit which exceeds the Base Assessment per Unit for the immediately preceding fiscal year by more than (12%) percent or the amount which the Consumer Price Index for Alabama has increased over the previous fiscal year, whichever is greater; provided, however, in determining whether any increase is within the limitation imposed by this paragraph, the amount of any increase due to increased cost of utilities or insurance, damage by acts of God, and increases in the reserve fund shall not be included.

10.3 Special Assessments. In addition to the assessments authorized in Section 10.01, the Association may levy a Special Assessment or Special Assessments in any year applicable to that year provided, however, such assessment shall have a 2/3 vote or written assent of the Board of Directors. The Association may also levy a Special Assessment against any member for Sanctions, , and/or any costs or fees incurred in bringing a Member and/or his Unit into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing. The Association may also levy a Special Assessment against any Subdistrict, Land Segment Owner or Residential Association to reimburse the Association for costs incurred in bringing the Subdistrict, Land Segment or Residential Association into compliances with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the senior officer thereof and an opportunity for a hearing. .

10.4 Lien for Assessments. Upon recording of a notice of lien, there shall exist a perfected lien for all unpaid assessments, including Special Assessments and Sanctions, on the respective Unit prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other

levies which by law would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value.

(a) Such lien, when delinquent, may be enforced by suit, judgment and foreclosure. In addition to the rights of the Association set forth in Section 10.01 hereof, suit to recover a money judgment for unpaid Common Expenses, Sanctions may be maintained without foreclosing or waiving the lien securing the same. After notice and hearing the Board may temporarily suspend the voting rights of a Member who is in default in payment of any assessment.

(b) The Association, acting on behalf of the Owners, shall have the power to bid for the Unit or Land Segment at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period in which a Unit is owned by the Association following foreclosure:

- (i) No right to vote shall be exercised on its behalf;
- (ii) No assessment shall be assessed or levied on it; and
- (iii) Each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessments that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure.

10.5 Capital Budget and Contribution. The Board of Directors shall, as reasonably necessary, prepare a capital budget that shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Section 10.02 of this Article.

10.6 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Units and Land Segments on the first day of the month following the date of conveyance of title of the Common Area to the Association. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual assessment shall be adjusted accordingly to the number of days then remaining in that fiscal year.

10.7 Subordination of the Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Alabama law), and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or non-judicial foreclosure of a first Mortgage due a bona fide lender shall extinguish the lien of such assessments as to payment that became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first mortgage of record or other purchaser of a Unit obtains title, his successors and assigns shall not be liable for the share of Common Expenses or assessments by the Association chargeable to such Unit that became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of Common Expenses of assessments shall be deemed to be Common Expenses collectible from all of the Units, including

such acquirer, his successors and assigns.

10.8 Capitalization of Association. This paragraph deleted.

10.9 Effect on Declarant. This paragraph deleted.

ARTICLE XI

NO PARTITION

Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Common Area or any part thereof, nor shall any person acquiring any interest in the Properties or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 5.04 in the case of damage or destruction, or unless the Properties have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring title to real property that may or may not be subject to this Declaration.

ARTICLE XII

ANNEXATION OF ADDITIONAL PROPERTY

12.1 Annexation Without Approval of Membership. Notwithstanding any other provision contained in this Declaration, the Board of Directors by a 2/3 vote shall have the unilateral right, privilege, and option, to annex, subject to the provisions of this Declaration and the jurisdiction of the Association, all or any portion of the real property described in Exhibit "A" attached hereto and by reference made a part hereof, whether in fee simple or in leasehold, by filing in the Office of the Judge of Probate of Baldwin County an amendment annexing such Properties. Any such annexation shall be effective upon the filing for record of such Subsequent Amendment unless otherwise provided therein.

12.2 Annexation with Approval of Membership. Subject to the consent of the owner thereof, upon the written consent, or affirmative vote of the Voting Members representing a majority of the Association, the Association may annex real property other than that shown on Exhibit "A," to the provisions of this Declaration and the jurisdiction of the Association by filing in the Office of the Judge of Probate of Baldwin County a Subsequent Amendment with respect to the Properties being annexed. The President and the Secretary of the Association, and the owner of the properties being annexed shall sign any such Subsequent Amendment, and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the Bylaws dealing with regular or special meetings, as the case may be, shall apply to determine the time required and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 12.02, and to ascertain the presence of a quorum at such meeting.

12.3 Acquisition of Additional Common Area. Notwithstanding any other provision contained in this Declaration, Declarant may convey additional real estate, improved or unimproved, located within the Total Property described in Exhibit "A" which upon conveyance or dedication to the Association shall be accepted by the Association, and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

- 12.4 Amendment. This paragraph deleted.
- 12.5 Adjacent Land. This paragraph deleted.

ARTICLE XIII

CONDEMNATION

13.1 Notice to Owner. Whenever all or any part of the Common Area shall be taken (or conveyed by the Board acting on the written direction of all Voting Members in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as Trustee for all Owners, to be disbursed according to Section 13.2, below.

13.2 Condemnation Affecting Common Area Improvements. If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Voting Members representing at least seventy-five percent (75%) of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to repair after casualty damage or destruction shall apply. If the taking does not involve any improvements in the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

ARTICLE XIV

MORTGAGEES' RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of first mortgages on Units in the Properties. To the extent applicable, necessary or proper, the provisions of this Article XIII apply to both this Declaration and to the Bylaws of the Association. Where indicated, these provisions apply only to "eligible holders," as hereinafter defined; provided, however, voting percentages set forth herein are subject to and controlled by higher percentage requirements, if any, set forth elsewhere in this Declaration for specific actions.

14.1 Notices of Action. An institutional holder, insurer, or guarantor of a first mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the unit number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) Any proposed termination of the Association;

(b) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(c) Any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first mortgage, upon request, is entitled to written notice from the Association of any default in the performance by an owner of any obligation under the Declaration or Bylaws which is not cured within sixty (60) days;

(d) Any lapse, cancellations, or material modification of any insurance policy or fidelity bond maintained by the Association; or

(e) Any proposed action that would require the consent of a specified percentage of eligible holders.

14.2 Special FHLMC Provision. So long as required by The Federal Home Loan Mortgage Corporation (FHLMC), the following provisions apply in addition to and not in lieu of the foregoing Section of this Article. Unless two-thirds (2/3) of the first mortgages or Owners give their consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Properties shall not be deemed a transfer);

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(c) By act or omission change, waive, or abandon any scheme of regulations or

enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Area.

The issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver or abandonment within the meaning of this provision;

(d) Fail to maintain fire and extended coverage insurance, as required by this Declaration; or

(e) Use hazard insurance proceeds for any Common Area losses for other than repair, replacement, or reconstruction of such Properties.

First mortgages may jointly or singly pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premium on casualty insurance policies, or secure new casualty insurance coverage upon the lapse of a policy for the Common Area, and first mortgages making such payments shall be entitled to immediate reimbursement from the Association.

ARTICLE XV

GENERAL PROVISIONS

15.1 Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Properties subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this amended Declaration is recorded, after which time they shall be automatically extended for successive periods often (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change covenants and restrictions, in whole or in part, or to terminate the same.

15.2 Amendment. This Declaration may be amended only by the written consent of 75% of the Board of Directors. The percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment must be recorded in the Office of the Judge of Probate of Baldwin County, Alabama.

15.3 Limitations. The consent of at least seventy-five percent of the Voting Members hereof, shall be required to terminate the Association and to make a substantial amendment to any provision of the Declaration, Articles of Incorporation or Bylaws (pertaining to the existing properties), or to add any material provisions thereto (pertaining to the existing properties), which establish, provide for, govern or regulate any of the following:

- (a) Voting rights;
- (b) Assessments, assessment liens, or subordination of such liens;
- (c) Reserves for maintenance, repair and replacement of the Common Area;
- (d) Insurance or fidelity bonds;

- (e) Rights to use of the Common Areas;
- (f) Responsibility for maintenance and repair of the Properties;
- (g) Expansion or contraction of the Properties or the addition, annexation, or withdrawal of Properties to or from the Association;
- (h) Boundaries of any Unit;
- (i) Leasing of Units;
- (j) Imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer, or otherwise convey his or her Units;
- (k) Establishment of self-management by the Association where professional management has been required;
- (l) Convertibility of Units into Common Areas or vice versa; or
- (m) Any provisions including in the Declaration, Articles of Incorporation or Bylaws which are for the express benefit of holders, guarantors or issuers of first mortgages on Units.

15.4 Clarifications, etc. This paragraph deleted in Nov 18, 2005 amendment.

15.5 Indemnification of Officers and Directors. The Association shall indemnify every officer, director and committee member against any and all expenses, including trial and appellate attorney's fees and costs, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful malfeasance, misconduct or bad faith. The officers and directors 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 indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director or former officer or director may be entitled. The Association shall, as a Common Expense, maintain adequate general liability insurance, and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably withheld.

15.6 Easement of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Unit and such portion or portions of the Common Area adjacent thereto or as between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than one (1) foot, as measured from any point on the common boundary between each Unit and adjacent portion of the Common Area or as between said adjacent Units, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of an Owner, tenant or the Association. Further provided, there shall also be a mutual easement for encroachment of the roof and/or eaves of the houses in St Andrews Village (as initially constructed) across each common boundary line between units regardless of knowledge or intent that such encroachment(s) exist.

15.7 Easements for Utility and Irrigation. This paragraph deleted in Nov 18, 2005 amendment.

15.8 Easement for Governmental Health, Sanitation, Utilities and Emergency Services. There is hereby granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation, utilities, police services and any emergency services such as fire, ambulance and rescue services, a non-exclusive easement, for purposes of ingress and egress over the Common Area.

15.9 Easement for Golf Ball Retrieval. Anyone playing golf upon the Cotton Creek or other golf course shall have an easement and license to go upon the Common Area or upon an Owner's land adjacent thereto to retrieve errant golf balls so long as such person does so in a reasonable manner not to damage such property which accomplishing such retrieval. Any golfer causing damage by his errant golf ball during play or while retrieving it shall be solely responsible for such damage, and the owner of the golf course shall not be responsible therefore.

15.10 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions that shall remain in full force and effect.

15.11 Rights of Entry. The Association shall have the right, but shall not be obligated, to enter any Unit for emergency, security or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Unit to make emergency repairs, to perform other work reasonably necessary for the proper maintenance and operation of the Properties, and to cure any condition which may increase the possibility of a fire or other hazard in the event any Owner fails or refuses to cure the condition upon request by the Board.

15.12 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or violable 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 Elizabeth II, Queen of England.

15.13 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a seventy-five (75%) vote of the Board. This Section 15.13 shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article X hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it.

15.14 Construction Period. With respect to each Unit, construction of the residential building is to be completed within one (1) year from the date of beginning construction, unless the Architectural Review/Modification Committee grants an extension. In addition to all other rights and remedies for breach of these restrictions, in the event this restriction is not fully complied with, Association shall have the right, but not the obligation, to purchase the Unit for an amount not to exceed the purchase price paid without interest; provided that reasonable notice in writing is given to the Owner of the Unit that the Association intends to exercise this option.

15.15 Indemnity for Damages. Each and every Owner and future Owner, in accepting a deed or contract for any Unit subject to these Restrictions, agrees to indemnify the Association, its successors and assigns for any damage caused by such Owner, or the contractor, agent or employees of such Owner, to roads, streets, gutters, walkways or other aspects of public ways, including all surfacing thereon, or to water, drainage or storm sewer lines or sanitary sewer lines.

15.16 Indemnification of Declarant. This paragraph deleted in Nov 18, 2005 amendment.

15.17 Declarations Cumulative. The provisions of this Declaration shall be considered cumulative and complimentary to each other where construction thereof reasonably allows.

ARTICLE XVI

PARTY WALLS

16.1 General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the Unit shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

16.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

16.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

16.4 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

16.5 Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

16.6 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, to the extent permitted by Alabama law, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be made a majority of all the arbitrators.

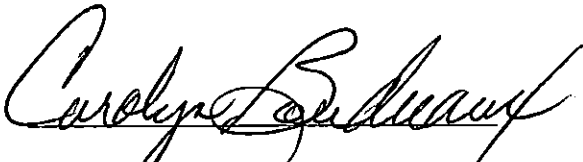
ARTICLE XVII

DECLARANT'S RIGHTS

This article deleted in accordance with provisions of 'Transfer of Craft Development Corporation and Craft Land Company, Inc., ('The Declarant') Special Rights and Obligation in the Craft Farms Property Owners Association, Inc., From the Declarant to the Board of Directors and Owners/Members of the Craft Farms Property Owners Association, Inc. ("The Association").' (Instrument # 930932 dated October 17, 2005) In addition, on December 12, 2000 Craft Land was dissolved and Craft Development Corporation became the sole "Declarant" under the Master Declaration. Further, Craft Development Corporation no longer owns any land described in Exhibit "A" of the Master Declaration.

IN WITNESS WHEREOF, Craft Farms Property Owner's Association, have caused their duly authorized officers to certify this amendment on this the 5 day of DECEMBER 2016.

CRAFT FARMS PROPERTY OWNER'S ASSOCIATION, INC.

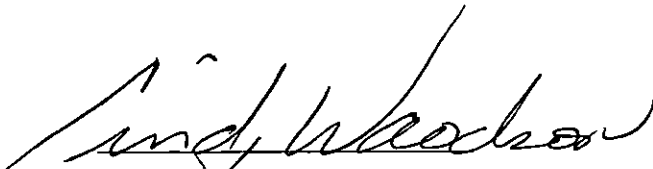

Carolyn Boudreaux, President

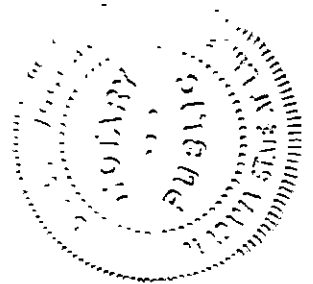

Leslie Anderson, Secretary

STATE OF ALABAMA COUNTY OF BALDWIN

I, the undersigned, a Notary Public in and for Baldwin County, in the State of Alabama, hereby certify that Carolyn Boudreaux, whose name as President of Craft Farms Property Owner's Association, Inc., is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this, the 5 day of DECEMBER 2016.

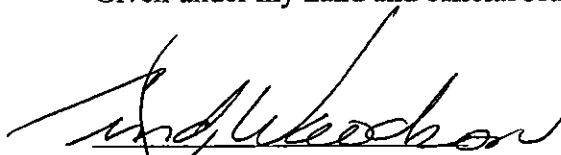

Notary Public



STATE OF ALABAMA COUNTY OF BALDWIN

I, the undersigned, a Notary Public in and for Baldwin County, in the State of Alabama, hereby certify that Leslie Anderson, whose name as Secretary of Craft Farms Property Owner's Association, Inc., is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this, the 5 day of DECEMBER 2016.


Notary Public

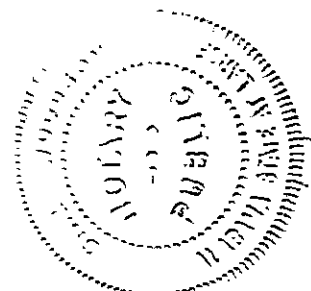
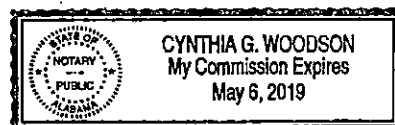


EXHIBIT A

Southwest 1/4 plus West 1/2 of Northwest 1/4 of Section 27, East 1/2 of Northeast 1/4 plus Northeast 1/4 of Southeast 1/4 of Section 28, East 1/2 plus Southwest 1/4 plus Southeast 1/4 of Northwest 1/4 of Section 33 and West 1/2 of Section 34 in Township 8 South, Range 4 East, Baldwin County, Alabama.

(The shaded areas on the map shown below reflect the Exhibit A description)

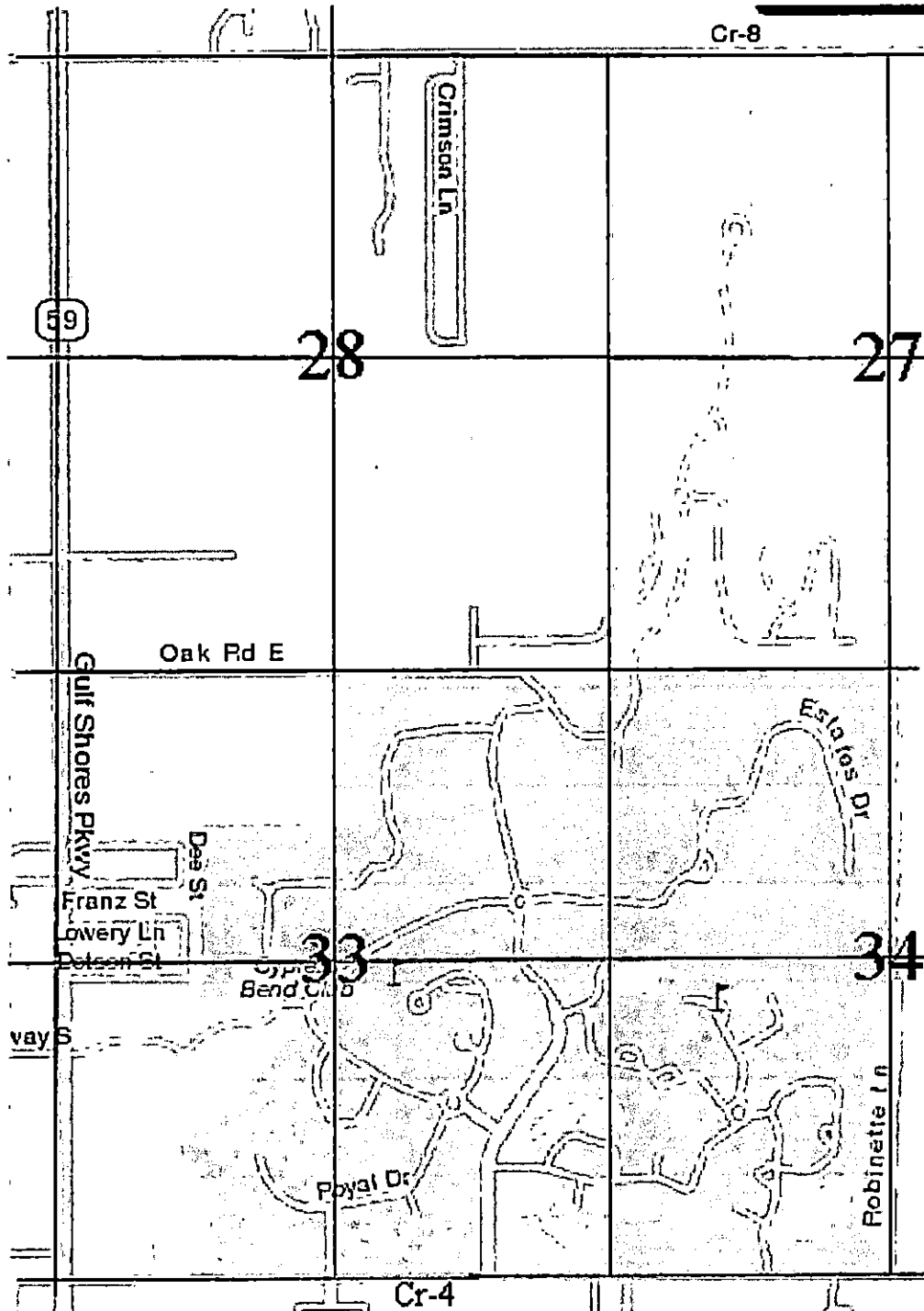


EXHIBIT B

Commence at the Southeast corner of said Section 33; thence North 00° 55' 49" East along the East line of said Section 33, for 40.01 feet to the North right-of-way line of County Road No. 4; thence South 89° 53' 05" West along said North right-of-way line of County Road No. 4 for 1,065.88 feet; thence North 00° 29' 29" East for 944.21 feet to a point of curvature; thence Northeasterly along the arc of a curve concave Southeasterly, having a radius of 250.00 feet, a central angle of 34° 48' 50", an arc link of 151.90 feet, and a chord bearing and distance of North 17° 53' 54" East, 149.58 feet to a point of tangency; thence North 35° 18' 19" East for 803.64 feet to the point of beginning; thence continue North 35° 18' 19" East for 132.64 feet to a point of curvature; thence Northeasterly along the arc of a curve concave Northwesterly, having a radius of 440.00 feet, a central angle of 47° 28' 05", an arc length of 364.52 feet, and a chord bearing of North 1° 34' 17" East for 354.19 feet; thence on a non-tangent bearing of North 27° 17' 13" East for 37.69 feet; thence North 68° 21' 56" East for 88.80 feet to a point of curvature; thence Southeasterly along the arc of a curve concave Southwesterly, having a radius of 25.00 feet, a central angle of 90° 00' 00", an arc length of 39.26 feet, and a chord bearing and distance of South 66° 38' 01" East, 35.36 feet, thence on a radial bearing of North 68° 21' 56" East for 70.00 feet, thence North 21° 38' 12" West for 7.62 feet to a point of curvature; thence Northeasterly along the arc of a curve concave Southeasterly, having a radius of 25.00 feet, a central angle of 75° 31' 20", an arc length of 32.95 feet, and a chord bearing and distance of North 16° 10' 38" East, 30.62 feet; thence on a non-tangent bearing of North 88° 38' 23" East for 133.77 feet; thence Southeasterly along the arc of a non-tangent curve concave Northeasterly, having a radius of 150.00 feet, a central angle of 71° 40' 49", an arc length of 187.65 feet, and a chord bearing and distance of South 37° 12' 08" East, 175.66 feet to a point of tangency; thence South 73° 02' 32" East for 550.08 feet; thence South 42° 18' 31" East for 712.03 feet to a point of curvature; thence Southeasterly along the arc of a curve concave Northeasterly, having a radius of 75.00 feet, a central angle of 29° 08' 16", an arc length of 38.14 feet, and a chord bearing and distance of South 56° 52' 40" East, 37.73 feet; thence on a radial bearing of South 18° 33' 14" West for 74.26 feet; thence North 89° 07' 29" West for 79.55 feet; thence Northwesterly along the arc of a non-tangent curve concave Southwesterly, having a radius of 150.00 feet, a central angle of 118° 16' 54", an arc length of 309.55 feet, and a chord bearing and distance of North 53° 17' 34" West 257.53 feet to a point of tangency; thence South 67° 33' 59" West for 443.71 feet; thence North 25° 37' 22" West for 191.58 feet; thence Northwesterly along the arc of a non-tangent curve concave Southwesterly, having a radius of 150.00 feet, a central angle of 59° 59' 38", an arc length of 157.06 feet, and a chord bearing and distance of North 52° 21' 25" West, 149.99 feet to a point of tangency, thence North 82° 21' 14" West for 712.71 feet to the POINT OF BEGINNING.

The above parcel contains 15.77 acres more or less.

(This exhibit describes St Andrews)

EXHIBIT C

Commence at the Southwest corner of Section 34, Township 8 South, Range 4 East, Baldwin County, Alabama; run thence South 89° 53' 05" West for 1,066.13 feet to the East right of way line of Cotton Creek Boulevard; run thence North 00° 31' 18" East along said right of way for 894.26 feet to the South right of way line of Glen Eagles Avenue for the point of beginning; run thence North 45° 00' 24" East for 35.36 feet along the South right-of-way line of said Glen Eagles; run thence North 88° 10' 38" East along said right-of-way for 247.64 feet; run thence South for 77.02 feet; run thence South 18° 17' 51" East for 127.41 feet; run thence North 65° 33' 22" East for 98.67 feet; run thence South 74° 09' 30" East for 103.67 feet; run thence South 64° 46' 44" East for 49.75 feet; run thence South 21° 15' 57" West for 207.91 feet; run thence South 65° 22' 35" East for 314.18 feet; run thence North 51° 20' 25" East for 195.65 feet; run thence North 09° 02' 42" East for 123.32 feet; run thence North 84° 52' 01" East for 285.79 feet; run thence North 87° 00' 48" East for 215.40 feet; run thence South 75° 46' 25" East for 89.28 feet; run thence South 67° 42' 34" East for 381.31 feet; run thence North 24° 36' 18" East for 512.01 feet; run thence North 33° 50' 31" East for 85.20 feet; run thence North 62° 47' 26" East for 295.14 feet; run thence North 27° 12' 34" West for 150.0 feet; run thence in a Northerly direction along a cul-de-sac on Glen Eagles Avenue along a curve to the left having a radius of 120 feet for an arc distance of 396.63 feet; run thence in a Northwesterly direction along a curve to the right having a radius of 75 feet for an arc distance of 39.97 feet; run thence South 18° 33' 14" West for 69.37 feet; run thence North 89° 07' 30" West for 102.34 feet; run thence South 10° 22' 35" West for 58.60 feet; run thence South 63° 58' 47" West for 203.65 feet; run thence South 86° 45' 16" West for 403.11 feet; run thence South 32° 07' 48" West for 75.09 feet; run thence North 87° 56' 08" West for 127.78 feet; run thence North 71° 33' 54" West for 90.68 feet; run thence North 51° 50' 14" West for 95.46 feet; run thence North 72° 51' 31" West for 360.0 feet; run thence South 17° 08' 29" West for 150.92 feet to the North right of way line of Cypress Circle; run thence in a Westwardly direction along a curve to the left having a radius of 125 feet for an arc distance of 113.06 feet; run thence South 48° 21' 59" West along the North right of way line of said Cypress Circle for 63.63 feet; run thence North 41° 38' 01" East for 150.0 feet; run thence South 48° 21' 59" West for 266.36 feet; run thence South 150.36 feet to the North right of way line of Glen Eagles Avenue; run thence North 87° 11' 22" West along said right of way for 247.13 feet; run thence North 42° 25' 49" West for 34.14 feet to the East right of way line of Cotton Creek Boulevard; run thence in a Southeasterly direction along a curve to the left having a radius of 250.0 feet for an arc distance of 30.07 feet; run thence South 00° 31' 18" West along said right of way for 90.0 feet to the point of beginning.

(This exhibit describes Glen Eagles)

EXHIBIT D

Village/Land Segment	Annexation Document (recorded instrument or book/page)	Annexation Authority
Aberdeen Village	inst. 877013	Chrysalis Homes (Authority per Inst. 877012)
Cypress Bend	inst. 677646	Pinehurst Development
Cypress Gardens	Inst. 1210918	Craft Development
The Estates	inst. 616536	Pinehurst Development
McCollough Institute	inst. 569781	Craft Development
Pinehurst	m68/948	Pinehurst Development
Prestwick	inst. 1233816	CFPOA
Royal Glen	m73/1312	Pinehurst Development
St Andrews East	m76/623	Pinehurst Development
Turnberry	inst. 1233817	CFPOA

EXHIBIT E

All Real Estate Signs must be as follows.

The background color of all Real Estate signs must be Forest Green with a ½ inch white boarder and white lettering in Helvetica Bold font. Letters will not exceed 1-¾ inches in height. No logotypes are allowed. A 'Property Information Box' may be attached to the post. The post must be white vinyl 4" x 4" square with a pyramid top cap.

Sign Size	7" high x 20" wide
Background Color	Forest Green
Letter Color	White
Letter Size (maximum)	1-3/4 inches
Maximum post height	3 Feet
Information Box	Sized to hold 8-1/2 x 11 paper maximum – No Logos or lettering allowed.

