

DECLARATION OF COVENANTS AND RESTRICTIONS OF THE OSPREY

This Declaration of Covenants and Restrictions is made, adopted, published and declared this 15TH day of DEC, 2021, by Cottages at Cotton Bayou, LLC ("Developer").

RECITALS

Developer, as the owner of Lots 1 through 33 ("the Lots") and the other real property known as The Osprey ("the Community"), as shown on the Plat recorded at Slide ____ in the records of the Office of Judge of Probate of Baldwin County, Alabama ("the Plat"), desires to place certain restrictions, covenants, conditions and reservations upon the Community in accordance with a general theme or plan in order (a) to protect the owners of each Lot against improper use of surrounding lots, (b) to preserve the natural beauty of each Lot, (c) to ensure the creation of attractive, well designed, properly proportioned and appropriate homes of suitable materials with appropriate locations on the lots, (d) to ensure proper building setbacks from street and lot lines, (e) to provide adequate free space between structures, (f) to provide for the maintenance of common areas, (g) to provide for the orderly governance of the Community, and (h) to assure the best and most appropriate development and improvement of the Community and each Lot thereon;

NOW THEREFORE, Developer does hereby impose the following protective restrictions, covenants, conditions, and reservations:

1. GENERAL DEVELOPMENT PLAN:

All Lots in the Community shall be known and described as single-family residential lots. No Lot may be improved, used or occupied for other than private residence purposes, and no flat, duplex, apartment house, group apartment, or condominium, though intended for residential purposes, may be erected thereon.

All improvements, including landscaping and pools on any Lots, shall conform to the applicable site plans, exterior front and rear elevations, and to the architectural requirements set forth in this Declaration. Without limiting the foregoing, no improvement of any kind or landscaping not shown on the site plan applicable to any Lot shall be allowed on such Lot, and no improvement not consistent with the site plans, elevations, landscape plans, and architectural requirements shall be allowed.

In addition, there are Thirty-three (33) boat slips located in the Marina portion of the development which are identified on the above referenced PLAT. Although these boat slips, the shoreline and all docks and wharfage are part of the common area they are subject to the right of each lot owner to possess a private and exclusive easement to one boat slip per lot owner and this easement shall remain appurtenant to and run with each specific lot.

2. EXTERIOR IMPROVEMENTS:

All improvements must conform to the following architectural requirements:

- 1) Roofing material must be Galvalume 26 gauge "Classic Rib" by MRC or equivalent approved by the City of Orange Beach and Developer prior to installation.
- 2) Soffits must be constructed with James Hardie Brand materials, with no aluminum or vinyl.
- 3) Siding must be James Hardie Brand Board lap, board and batten, shake, or scallop/fish scale.
- 4) Pilings and Foundation Skirting: Pilings must be square or round with squared boxed covering. Louvered or slatted skirting between the pilings is required and must be designed in decorative trim that hides piping and other fixtures on the underside of the residence.
- 5) Exterior door trim, exterior window trim and louvered foundation skirting must be constructed of James Hardie Brand Board or painted treated wood.

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HARRY D'OLIVE, JR. PROBATE JUDGE
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- 6) Exterior railings must be welded, powder coated aluminum or Plastcoat finished aluminum.
- 7) Windows must be four-light pattern, impact rated with applied muntins, tinted glass in accordance with United States Fish & Wildlife specifications, white vinyl or black vinyl.
- 8) Exterior doors must be full-light, hinged fiberglass or wood with a painted or stained finish. Sliding doors must be vinyl, unless previously approved.
- 9) Porch ceilings must be 1x4 or 1x6 beaded or V-groove-wood, or James Hardie Brand equivalent.
- 10) Shutters must be operable powder coated aluminum Decorative shutters. No wooden shutters will be allowed.
- 11) Exterior lighting must conform to United States Fish & Wildlife specifications, and all exterior lights, including fixtures, are subject to pre-approval by Developer.
- 12) Exterior columns must be wrapped with James Hardie Brand Board material.
- 13) Porch decks must be composite decking (such as Trex or Moisture Shield) and the color must be pre-approved.
- 14) Chimneys must be pre-approved brick or James Hardie Brando Board material.
- 15) Plumbing stacks must be painted to match the roof color.
- 16) Exterior steps must be composite deck material with risers.
- 17) No Porch screens will be allowed.
- 18) House numbers will be uniform throughout the development
- 19) Gable vents must be powder coated aluminum.
- 20) There will be a wooden fence on the East and West side of each lot and the South entrance will have a metal fence.
- 21) All houses must have a minimum of two stage bands with a minimum width of 20 inches total.
- 22) All exterior paint colors must be approved by the developer or Owner's association.
- 23) Mailboxes are not allowed on any lot and all mail will be delivered to a centralized common mailbox area.

3. PLAN APPROVAL:

No improvement (meaning building, fence, pool, or any other device or article attached to the ground or to any building) shall be erected, placed or altered on, or attached to, any Lot until such building or other improvement shall be approved in writing by Developer or its designated representative. To request such approval, the requesting party must submit to Developer or its designated representative the following information: Owner name, Lot number, contact information, contractor identification; two complete sets of plans, showing footprint, exterior elevations, landscape, habitable area, exterior colors and materials for siding, doors, rails, trim, and shutters; and color samples. Said plans shall be prepared by a qualified duly licensed architect, engineer, or draftsman, and such person must be qualified to draw home plans. Approval, which shall be given or withheld or conditionally given in Developer's sole discretion, shall be based on compliance with this Declaration, and on the compatibility of the proposed improvements with other existing or anticipated improvements in the Community, and the quality and attractiveness of the proposed improvements, as determined by Developer. Developer review shall be limited to outward appearance only and shall not include any responsibility or authority to review for structural integrity, interior design other than the required minimum ceiling heights, compliance with building or zoning codes or standards, or any other similar or dissimilar factors.

All proposed building or construction plans, specifications, plot plans or related data, drawings or requests for approval shall be submitted to Developer at:

24252 Canal Rd, Suite B

Orange Beach, AL 36561

The quality and attractiveness of every improvement must meet the standards of Developer. Developer shall have the right to accept, modify, or refuse to approve any plans or specifications or landscape plans, which are not reasonably suitable or desirable, in Developer's sole discretion, for aesthetic or other reasons, and in so passing upon such plans, specifications and landscape plans. Each person that acquires any lot or any interest therein, and such person's heirs, successors and assigns shall abide by the decision of Developer in all cases in which Developer's approval is required in this Declaration.

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

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

Neither Developer nor any representative of Developer shall be liable to any Lot owner or any other person, association or entity, for any damage, loss or prejudice suffered or claimed on account of: (i) the approval or disapproval of any submitted materials, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved materials; (iii) the development of the Lot; (iv) the structural capacity or safety features of any proposed improvements; (v) whether or not the location of the proposed improvement on the building site is free from possible hazards from flooding or from any other possible hazards, whether caused by conditions occurring either upon or off any property located within the Community; (vi) erosion or other soil conditions; or (vii) any decision made or action taken or omitted to be taken under the authority of this Declaration. The Association shall indemnify and hold Developer harmless from any claim against Developer arising out of its plan review.

Upon such terms and conditions as Developer may elect, Developer may, but is not required to, adopt, review and approve or disapprove, in whole or in part, with or without conditions, applications for the modification or waiver of any requirement or restriction contained in this Declaration. Such applications shall contain such information as Developer may prescribe and shall affirmatively show, to Developer's satisfaction, that the application of such requirements, under the circumstances, creates unnecessary or undue hardships or that its modification or waiver will not be detrimental (aesthetically, economically, or otherwise) to the owner of any other Lot.

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

4. CONSTRUCTION:

Construction of each residence, including landscaping and irrigation, must be completed within nine (9) months from the date when construction begins; provided, however, that Developer may, when it in its absolute discretion deems it is reasonable to do so, extend the construction completion deadline for one (1) period of up to three (3) months. Any building or other improvement constructed on any Lot that is destroyed partially or totally by fire, storm or any other means shall be rebuilt or repaired by Owner in accordance with these restrictions or demolished within a reasonable period of time and the Lot on which such was located restored to an orderly and attractive condition. In the event the Lot Owner does not comply with this requirement, Developer retains the right to return the Lot to an orderly and attractive condition and to assess the Owner for the costs associated with such action and to place a lien on the Lot for those costs. Construction trailers are prohibited, and, unless otherwise coordinated with Developer, construction trash/debris containers must be stored entirely within the boundaries of the Lot on which the construction is occurring. Each Lot Owner shall be responsible for any damage done to the Community's infrastructure as a result of such Owner's construction activity, including construction traffic and shall, without limiting the

foregoing, reimburse the Developer or the Association, as the case may be the costs incurred by the Developer or the Association to repair such damage, plus an administrative fee of 15% plus 12% interest on such total.

Further, the Developer or the Association, as the case may be, shall have a lien against such Lot for such amount.

Developer has obtained an Alabama Department of Environmental Management ("ADEM") National Pollutant Discharge Elimination System Permit ("the Permit"), which relates to certain activities that affect storm water discharges from construction, excavation, land clearing, and other land activity. The Owner of each Lot shall, with respect to construction or other land-disturbance activity on such Lot, be responsible for taking such measures as are required by the Permit and applicable laws and regulations related to preventing sediment or other pollutants and storm water run-off from leaving the construction site or associated areas. However, after conveyance of any Lot by Developer, upon Developer's request, the new Owner shall immediately apply for and obtain, in such Owner's own name and at such Owner's own expense, a separate permit for such Lot and shall abide by the terms thereof; which may include, without limitation, use of silt fences, staked hay bale rows, netting or mesh, rock filter check dams, catch basins, seeding, proper grading, revegetation, and other erosion control. Each Owner shall indemnify and hold Developer harmless from such owner's failure to take such measures. Should ADEM or other authorities assess a fine or require correction action with respect to the matters assigned to any Owner under this paragraph, such Owner shall be responsible for the payment of such fine and/or the implementation of such correction action, and if such owner should fail to pay such fine and/or implement such corrective action, Developer may, but shall not be obligated to, pay such fine and/or implement such action on behalf of such Owner, without any liability on the part of Developer to such Owner, and Owner shall reimburse Developer the cost thereof, plus an administrative fee equal to 25% of such costs, plus interest at the rate of 12% per year until paid.

No sand shall be added to, removed from, or relocated on any Lot without the prior approval of the Developer.

Each Owner shall utilize for the landscape and irrigation installation on such Owner's Lot the landscape contractor designated by Developer for such purpose.

5. GOVERNMENTAL APPROVALS:

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

6. UTILITIES:

Each owner assumes responsibility for activating electrical power, telephone, satellite or, if available, cable television, and, if available, natural gas services and paying the appropriate utility companies the fees or charges required by such companies and to sign and be bound by such agreements as such companies may require. However, water service for all of the Lots will be arranged initially by Developer, managed through the Association, billed to the Association through a single meter, and be treated as a Common Expense.

7. OFFENSIVE ACTIVITIES:

No commercial, noxious, hazardous, annoying or nuisance-creating activity may be carried on within any Lot. No structure, including fences, shall be erected so as to channel water on an adjacent Lot. No outside clothes lines shall be permitted unless screened in such manner as not to be visible from adjacent lots or streets. No guns may be discharged upon any part of the Community for any purpose, nor shall there be hunting of any nature on the property herein described. No garage or rummage sales are permitted. No street side parking is permitted. No tri-axle vehicles are permitted in the community and no vehicle with a loaded gross vehicle weight in excess of 44,000 pounds is permitted. No Owner or guest of an Owner shall park on the street fronting the Dwelling of a different Owner.

8. USE OF MARINA:

- 8.1 No vessel moored at the marina shall at any time be used as a residence or overnight habitation
- 8.2 The Developer, or the Owner's Association referenced in Paragraph 18 below, shall have the right to inspect any vessel moored in the marina to determine its seaworthiness, cleanliness and compliance with all applicable City, County, State and Federal fire, safety and other regulations, as well as to determine whether the vessel fits within the applicable boat slip. The Developer and Owner's Association shall further have the right, but not the obligation, to remove any vessel from the Marina which fails to comply with these provisions or does not properly fit within the applicable boat slip. Each boat slip owner shall indemnify defend and hold the developer and Owner's Association, their agents, employees and designees from and against any loss or damage incurred in connection with the exercise or non-exercise of the rights conveyed here under.
- 8.3 Each boat slip owner is responsible for insuring that any bilge water discharged into Cotton Bayou shall be free from petroleum or other hazardous or toxic material. Each boat slip owner further agrees to indemnify, defend and hold the Developer and the Owner's Association harmless from and against any damages, claims and liability resulting from or arising out of the owner's violation of this provision.
- 8.4 From time to time, the Developer or the Owner's Association may require that any vessel be removed for maintenance, repairs or to dredge the marina. Each boat slip may, therefore, be entered for such period as may be necessary for such purposes. To the extent that submerged land may be removed from any boat slip, said lands will be treated as the property of the developer or the Owner's Association and need not be replaced.
- 8.5 No repairs or other maintenance aside from routine cleaning, preventative maintenance and/or varnishing may be conducted in a boat slip or the Marina without the written permission of the developer or the Owner's Association.
- 8.6 Each Owner or occupant of a boat slip is solely responsible for the mooring of his or her own vessel and is required to maintain mooring lines in good condition.
- 8.7 Any boat which remains in the water (as opposed to a lift) for more than seven (7) Consecutive days is subject to removal by the developer or owner's association, at the vessel owner's expense.
- 8.8 During the approach of any hurricane or tropical storm, each owner or occupant of a boat slip shall be responsible for following any and all safety precautions that may be issued by the National Hurricane Center, National Weather Service, U.S. Coast Guard, the ASSOCIATION or any other applicable agency. If a VESSEL sinks as a result of a storm, or for any other reason, the OWNER must remove the sunken vessel from the marina immediately. If said vessel is not so removed within seven (7) days, the ASSOCIATION may, (but shall not be Required to) remove the sunken vessel and impose an individual assessment against the owner of said slip.
- 8.9 Each owner agrees to indemnify, defend and hold the ASSOCIATION, its agents, employees and designees harmless for and from any and all loss or damage incurred in connection with the exercise or non-exercise of the ASSOCIATION'S rights hereunder. If an OWNER plans to be absent during the hurricane season, such OWNER must prepare his boat slip and secure or remove, as appropriate, his vessel prior to departure.
- 8.10 No open fires shall be permitted on any vessel or in the MARINA, except in areas which may be approved for such use. No charcoal, lighting fluids or similarly used substances shall be kept in any portion of the marina.
- 8.11 No fish or other marine life of any kind shall be cleaned, prepared or processed in any manner on the common areas, except in those portions of the common area that may be specifically designated for such purposes. All fish carcasses shall be placed in a fish waste grinder. No waste products may be disposed of in the waters of Cotton Bayou.

9. MAINTENANCE:

The exterior of all lots, common areas and adjacent rights-of-way, whether occupied or unoccupied, will be maintained by the owner's association. Trash, garbage or other waste material shall not be kept on any Lot except in sanitary containers. Also, Lot owners shall be responsible for periodic clean ups on their respective lots during the period the house is under construction to prevent their trash from blowing onto other lots and causing an unsightly situation for the neighborhood. In order to implement effective control, Developer reserves for itself and its agents the right, after ten (10) days' notice to any Lot owner, to enter upon any residential Lot with such equipment and devices as may be necessary for the purpose of mowing, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which, in the opinion of Developer, detracts from the overall appearance of the Community. Such entrance upon such property for such purposes shall be only between the hours of 7:00 A.M. and 6:00 P.M. on any day except Sunday and shall not be a trespass. Developer may charge the Lot owner a reasonable cost for such services plus a 10% surcharge, which charge and surcharge shall constitute a lien upon such Lot enforceable by appropriate proceedings at law or equity.

10. TRAILER, MOBILE HOME, ETC.:

No boat, utility or other trailers or recreational vehicles, mobile homes, busses, or campers are permitted to be kept in the Community.

11. ANIMALS:

A maximum of two (2) dogs and up to two (2) cats may be kept by Owners on any Lot, but no other animals are permitted, and renters are not permitted to have any dogs.

11.1 No animals shall reside outside in a kennel.

11.2 No animals shall be left unattended in a Common Area.

11.3 No animals shall be allowed in the swimming pool.

11.4 The animal's owner shall pick-up and dispose of all feces dropped in the Common Area or any other Owner's Lot

11.5 No bird baths, fountains, reflectors, statues, lawn sculptures, lawn furnishings, artificial plants, bird houses or other fixtures and accessories shall be placed or installed within the Front or Side yards of any Lot or Dwelling without the prior approval of the Board.

12. GARBAGE DISPOSAL CONTAINERS AND EQUIPMENT:

12.1 No trash, garbage or other refuse shall be dumped, stored or accumulated on any Lot. Trash, garbage or other waste shall not be kept on any Lot except in sanitary containers. Garbage containers shall be kept in a clean and sanitary condition and shall be so placed or screened by shrubbery or other appropriate material approved by the Board so as not to be visible from the park-side of any other Lot at any time. Trash cans shall be kept under the first floor of the home; further, trash cans shall not be left at the street more than twenty-four hours prior to trash pick-up and shall be removed from the street no later than twenty-four hours after pick-up.

12.2 No outside burning of wood, leaves, trash, garbage, or household refuse shall be permitted.

12.3 No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any part of a Lot and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain upon any

part of a Lot, including vacant parcels. No Owner shall allow the grass on its Lot to grow to a height in excess of eight (8) inches, measured from the surface of the ground. This provision shall not apply to the Developer until the last Lot is sold to an Owner other than the Developer.

- 12.4** No wrecked, unregistered and/or disabled automobiles, all-terrain vehicles, boats and/or watercraft shall be stored or located on any Lot.

13. SIGNS:

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

14. RENTALS:

Lot Owners are permitted to rent their residences, provided that no rental shall be for less than three (3) consecutive nights. Owners shall be responsible for the conduct of their tenants, and the Association shall have the authority to revoke any Owner's right to rent if the Association determines that such Owner's tenants have consistently disrupted the Community, caused damage, or otherwise unreasonably detracted from the quiet enjoyment of the Community.

15. EASEMENTS:

All easements shown on the Plat are hereby adopted as a part of these restrictions and all lots in the Community shall be subject to such easements. Further, Developer reserves easements throughout the Community, other than on any Lot for such purposes as Developer may deem reasonably necessary for the benefit of the Community or any Owner therein.

16. AMENDMENT OR MODIFICATION OF RESTRICTIONS:

Any or all of the provisions in this Declaration may be annulled, amended, or modified at any time by an instrument executed by the Owner or Owners of at least twenty-three (23) of the lots in the Community, which said instrument shall be acknowledged by each such owner signing same and shall be filed for record in the office of the Judge of Probate of Baldwin County, Alabama, PROVIDED, that no amendment shall place an additional burden or restriction or requirement on any Lot in the Community the owner of which does not join in said amending instrument and, as long as Developer owns any Lot then subject to this Declaration no amendment shall be valid without Developer's specific written approval. The Developer reserves the unrestricted right to amend or modify these restrictions for and during such a period of time as the Developer continues to own at least one (1) of the Lots shown on the Plat.

- 16.1** Amendment by Association: During the Control Period, this Declaration may be amended by Developer in Developer's sole discretion. Following the expiration of the Control Period, an amendment to this Declaration may be proposed by written instruction signed by the Owners of not less than one-fourth (1/4) of the Lots within the Property. At such meeting, the amendment or amendments proposed must be approved by the affirmative vote of Owners who own not less than two-thirds (2/3) of the total Lots of the Property in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments to the Declaration shall be transcribed and certified by the Board as having been duly adopted and the original or executed copy of such amendment or amendments so certified and executed with the same formalities as a deed shall be recorded in the Probate Court of Baldwin County, Alabama, within twenty (20) days from the date on which the same became effective, such amendment or amendments to specifically refer to the recording identifying the Declaration. Thereafter, a copy of said amendment or amendments, in the form in which the same were placed of record, shall be delivered to all of the Owners, but mailing or delivering a copy thereof shall not be condition precedent to the effectiveness of such amendment or amendments. At any meeting held to consider such amendment or amendments, the written vote of any Owner shall be recognized if such Owner is not in attendance at

such meeting or represented thereat by proxy, provided such written vote is delivered at or prior to such meeting.

17. TERM:

The herein stated restrictions shall run with the land and shall be binding on all Lot owners, or upon all parties and persons claiming under or through them, each of whom shall, by virtue of his acceptance or acquisition of title or other interest, accept and agree to be bound by and to abide by all terms and provisions of this instrument, all of which shall be and remain in full force and effect until January 1, 2069, after which time said restrictions shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by the Owners of at least twenty-three (23) of the lots has been recorded, agreeing to change said covenants in whole or in part.

18. VIOLATIONS:

Any violation of these covenants shall not act as a cloud upon the title of the property concerned and title shall not be forfeited as a result of such violation,

19. ENFORCEMENT:

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

20. OWNERS ASSOCIATION:

Developer has caused or will cause the formation of the Osprey Owners Association, Inc. All owners of the 33 Lots in the Community shall be members of the Association. The Association shall be governed by a Board of Directors ("the Board"). Initially and during the Period of Developer Control as provided for in the Articles of Incorporation, the Association shall have three (3) Directors, all of whom shall be appointed by Developer. After the Period of Developer Control, the Board shall consist of five (5) Directors. Except for Directors appointed by Developer, two (2) Directors shall be elected by the Beach Lot Owners, two (2) Directors shall be elected by the Pool Side Lot Owners, and one (1) Director shall be elected by the Cottage Lot owners.

20.1 The Association shall hold title to and maintain all property that Developer may designate or set aside as common area, including, without limitation, all Common Areas shown as such on the Plat (including the interior streets, the street lights, the common pool and pool house, all boat slips piers and wharfage, entrance ways, sprinkler systems in the common areas, and water and sewer infrastructure (the meter and below) located within the Community but not within the boundaries of any Lot). The Association shall also be responsible for maintaining landscaping and irrigation systems in the common areas and rights of way, and the street lights and paying the bills for the service provided thereto.

20.1.1 The Association shall hold title to and/or maintain all easements not granted to or maintained by any governmental entity.

20.2 General Assessments: All members of the Association, and by acceptance of a deed to a Lot, whether or not so expressed in such deed, are deemed to covenant and agree to pay to the Association annual general assessments or charges as herein described. All such assessments, together with interest thereon as provided below and the cost of collection thereof, including reasonable attorney fees, shall, as hereinafter provided, be the personal obligation of the owner of such property at the time such assessment becomes due. Such assessments, together with interest, costs, and reasonable attorney fees, shall also be a charge and a continuing lien upon the Lot against which such assessment is made. Such lien may be perfected by filing a

statement of lien in the appropriate records of the Office of the Judge of Probate of Baldwin, Alabama, setting forth the Lot upon which the lien is claimed, the amount for which the lien is claimed, and the name of the property owner. The lien shall be enforceable in accordance with Alabama law.

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

20.2.2 Assessments as to each Lot shall begin as of the closing of the purchase of such Lot from the Developer; however, Developer shall have the option to declare its Lots subject to assessments or to cover any operating deficiency by the Association.

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

20.3 Special Assessments: In addition to the Annual Assessments specified in Section 19.2 above, the Association may levy, at any time, one or more Special Assessments for the purpose of defraying, in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, provided that any such Assessment must have the assent and approval of (a) at least fifty-one percent (51%) of the Owners who are voting in person or by proxy at a meeting duly called for this purpose, and (b) to the extent Developer is the Owner of any Lot in the Property, the approval of Developer.

20.4 Insurance for Officers & Directors: Fidelity and Directors' Insurance covering all directors, officers and employees of the Association and all managing agents who handle Association funds shall be provided through the owner's association.

20.5 Additional Insurance:

20.5.1 Adequate property and casualty insurance for the benefit of the Association insuring all insurable improvements in and to the Common Areas against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism and malicious mischief, which coverage shall be in an amount, with such insurance carriers, at such costs and with such deductibles at the Association may determine.

20.5.2 Public liability insurance covering all of the Common Areas and any damage or injury caused by the negligence of the Association and all members, directors, officers, partners, agents and employees thereof, in such amounts with such insurance carriers, at such costs and with such deductibles as the Association may determine.

20.5.3 If applicable, worker's compensation insurance, employer's liability insurance and all other types of insurance required by law, including, without limitation, errors and omissions

insurance coverage, in such amounts, with such insurance carriers, at such costs and with such deductibles as the Association may determine.

20.5.4 All insurance coverage authorized hereunder shall be written in the name of the Association. To the extent the same may be obtained at a nominal cost, all such policies shall contain a waiver of subrogation clause pursuant to which the insurer waives any claims against the Association, and the Owners, Occupants and family members, servants, agents, and guests of the Owners and/or Occupants.

20.6 Maintenance Responsibilities: The Association may, at any time, in the discretion of the Board, without any approval of the Members being required; maintain, install, reinstall, construct and repair all of the improvements within the Common Areas, to include plantings, shrubbery, maintenance of all storm water detention facilities, and to maintain, repair and operate any other easement area shown on the Subdivision Plat which is not under the control of management of a public utility or governmental authority

20.7 Developer Control Period: Notwithstanding any provision contained herein to the contrary, in view of the Developer's financial commitment to the Subdivision, Developer's obligations as an initial owner of the Lots to pay the expenses of the Subdivision and Developer's obligations and Developer's need to insure the success of the Subdivision, then until such time as Developer has sold and no longer retains ownership of any of the Lots within the Subdivision, or until the Developer expressly elects to terminate its control of the Association, whichever is earlier (such period of time being referred to herein as the "Control Period"), the Developer shall have (a) the right to manage all of the affairs and decisions of the Association, (b) the exclusive right to elect the Directors of the Association (who need not be Owners), (c) the right to amend this Declaration, the Certificate, and the Bylaws of the Association.

20.7.1 Developer may terminate its management rights and responsibilities, or any portion thereof, by relinquishing control of the Association in writing to the Owners at any time prior to the expiration of said Control Period. During the Control Period, the Developer shall have the sole and exclusive right to take all actions and all things on behalf of the Association.

20.7.2 During the Control Period, Developer's appointees shall act as board members and officers of the Association. Developer shall have all of the rights of the Association to levy and enforce payment of Assessments. Developer's contributions to the Subdivision via the development thereof shall be in lieu of any monetary payment, including any form of Assessments. During the Control Period, Developer shall not be required to assess or create any reserves and at the termination of the Control Period and the assumption of the operation of the Association by the Members, Developer shall not be required to render an accounting of the income and expenses incurred during the Control Period.

21. CHANGES; RESERVATIONS:

Developer reserves the right to make such changes to this Declaration (a) as Developer may deem necessary in order to comply with or address a governmental regulation or similar directive or to meet any other requirement or limitation that binds Developer or the Community, or (b) as do not materially and unreasonably adversely affect any Lot that Developer has already conveyed. Developer also reserves the right to cause property to be withdrawable from this Plat and/or from the scope of this Declaration and to make such other changes to the Plat as do not alter the boundaries of any Lot not still owned by Developer. Additionally, Developer reserves the right to build and/or allow to be built model homes in the Community; Developer may also allow the use of sales offices, which may or may not be part of the model homes; Developer further reserves the right to post signs advertising unsold Lots and identifying any model homes and/or sales offices.

22. RULES AND REGULATIONS:

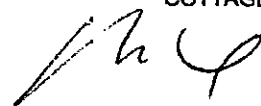
Developer may enact from time to time such rules and regulations as Developer may deem appropriate for the well-being of the Community and may promulgate such penalties for violations thereof as Developer may deem in the best interests of the Community. Developer may assign this right and power to the Association.

23. SEVERABILITY:

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

IN WITNESS WHEREOF, the Developer, by and through its duly authorized representative, has caused this instrument to be executed as of the day and year first above written.

COTTAGES AT COTTON BAYOU, LLC



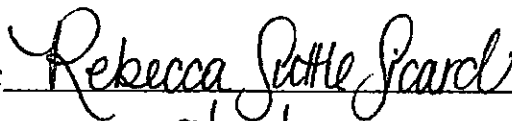
BY: MARK KEEL, IT'S MANAGING MEMBER

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that MARK KEEL, whose name, as managing member of COTTAGES at COTTON BAYOU, LLC is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, in such capacity and with full authority, executed the same voluntarily for and as the act of said entity.

GIVEN under my hand this the 15th day of DECEMBER, 2021.

NOTARY PUBLIC



MY COMMISSION EXPIRES

9/20/23

REBECCA SUTTLE SICARD
NOTARY PUBLIC, ALABAMA STATE AT LARGE
MY COMMISSION EXPIRES SEP 20, 2023

THIS INSTRUMENT PREPARED BY:

T. Deven Moore, Esquire.

P.O. Box 906 Montrose, Al. 36559 251-656-2607