

TABLE OF CONTENTS FOR THE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTION
FOR
THE SANCTUARY

State of Alabama, Baldwin County
I certify this instrument was filed
and taxes collected on:
2000 January 17 10:31AM
Instrument Number 207070 Pages 45
Recording 116.00 Mortgage
Deed Min Tax
Index DF 1.00
Adrian L. Johns, Judge of Probate

527590

ARTICLE I – DEFINITIONS

- 1.01 Area of Common Responsibility
- 1.02 Association
- 1.03 Assessment
- 1.04 Base Assessment
- 1.05 Board of Directors or Board
- 1.06 Bylaws
- 1.07 Common Area
- 1.08 Common Expenses
- 1.09 Community-Wide Standard
- 1.10 Condominium Association
- 1.11 Declarant or Developer
- 1.12 Lot/Unit
- 1.13 Member
- 1.14 Owner
- 1.15 Parcel
- 1.16 Person
- 1.17 Properties
- 1.18 Special Assessment
- 1.19 Subsequent Amendment

ARTICLE II – PROPERTY RIGHTS

- 2.01 Owner’s Easement of Enjoyment
- 2.02 Delegation of Use
- 2.03 User Fees-Suspension of Rights
- 2.04 Dedication of Common Area to Governmental Entity

ARTICLE III – MEMBERSHIP AND VOTING RIGHTS

- 3.01 Membership
- 3.02 Voting Rights

ARTICLE IV – MAINTENANCE

- 4.01 Association's Responsibility
- 4.02 Owner's Responsibility
- 4.03 Mandatory Maintenance
- 4.04 Association's Maintenance and Ad Valorem Tax Responsibility

ARTICLE V – INSURANCE AND CASUALTY LOSSES

- 5.01 Association Insurance
- 5.02 Individual Insurance
- 5.03 Disbursement of Proceeds
- 5.04 Damage and Destruction
- 5.05 Repair and Reconstruction

ARTICLE VI – ARCHITECTURAL CONTROL

- 6.01 Architectural Review Committee

ARTICLE VII – USE, CONSTRUCTION AND GENERAL RESTRICTIONS

- 7.01 Aesthetic Appearance
- 7.02 Accessory Structures
- 7.03 Accumulation of Refuse
- 7.04 Animals
- 7.05 Antennas
- 7.06 Exterior Lighting
- 7.07 Business Activity
- 7.08 Driveways/Parking
- 7.09 Garages – Carports and Porte-cocheres
- 7.10 Chimney Flues
- 7.11 Trash Receptacles
- 7.12 Clothes Lines
- 7.13 Utility Easements
- 7.14 Commercial Trucks
- 7.15 Excavation of Site
- 7.16 Connection Point for Utilities Service
- 7.17 Maximum Building Height/Stories
- 7.18 Permissible Building Areas
- 7.19 Garbage Containers, Oil and Gas Tanks, Swimming Pool Equipment
- 7.20 Pools and Pool Enclosures
- 7.21 Irrigation
- 7.22 Landscaping Mandatory
- 7.23 Landscaping
- 7.24 Mailboxes – Newspaper Boxes
- 7.25 Maintenance of Hedges and Plants

- 7.26 Mining
- 7.27 Model House, Real Estate Office
- 7.28 No Garage Sales
- 7.29 Piers, Docks, or Boathouses
- 7.30 Dwelling Elevations
- 7.31 Nuisances
- 7.32 Factory Built Structures
- 7.33 Recreational Vehicles
- 7.34 Remedies for Vehicle and Recreational Equipment Violations
- 7.35 Signs
- 7.36 Solar Collectors
- 7.37 Subdivision or Partition
- 7.38 Temporary Structures
- 7.39 Underground Utilities
- 7.40 Vehicle Maintenance and Repair
- 7.41 Wall and Window Air Conditioning Units
- 7.42 Walls and Fences
- 7.43 Occupants Bound
- 7.44 General Construction Guidelines
- 7.45 Exterior
- 7.46 Building Construction in General
- 7.47 Architectural Guidelines
- 7.48 Use of Property
- 7.49 Registration of Tenants

ARTICLE VII – RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

- 8.01 Common Area and Rights-of-Way
- 8.02 Personal Property and Real Property for Common Use
- 8.03 Rules and Regulations
- 8.04 Implied Rights

ARTICLE IX – ASSESSMENTS

- 9.01 Creation of Assessments
- 9.02 Computation of Assessment
- 9.03 Special Assessments
- 9.04 Lien for Assessments
- 9.05 Capital Budget and Contribution
- 9.06 Date of Commencement of Annual Assessments
- 9.07 Subordination of the Lien to First Mortgages
- 9.08 Capitalization of Association
- 9.09 Proportional Rate of Assessment

ARTICLE X – NO PARTITION

ARTICLE XI – ANNEXATION OF ADDITIONAL PROPERTY

- 11.01 Annexation Without Approval of Membership
- 11.02 Acquisition of Additional Common Area
- 11.03 Amendment

ARTICLE XII – CONDEMNATION

- 12.01 Notice to Owner
- 12.02 Condemnation Affecting Common Area Improvements

ARTICLE XIII – GENERAL PROVISIONS

- 13.01 Term
- 13.02 Amendment
- 13.03 Limitations
- 13.04 Clarifications, etc.
- 13.05 Indemnification of Officers and Directors
- 13.06 Easements of Encroachment
- 13.07 Easements for Utility and Irrigation
- 13.08 Easement for Governmental, Health, Sanitation and Emergency Services
- 13.09 Severability
- 13.10 Rights of Entry
- 13.11 Perpetuities
- 13.12 Litigation
- 13.13 Indemnity for Damages
- 13.14 Indemnification of Declarant
- 13.15 Declarations Cumulative

ARTICLE XIV – DECLARANT’S RIGHTS

- 14.01 Transfer of Rights
- 14.02 Right of Approval
- 14.03 Construction and Sale

EXHIBIT “A”

EXHIBIT “B”

STATE OF ALABAMA)
COUNTY OF BALDWIN)

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
THE SANCTUARY

This Declaration of Covenants, Conditions, and Restrictions is made this 15th day of December, 1999 by MEYER PROPERTIES, INC. (hereinafter collectively referred to as "Declarant");

W I T N E S S E T H :

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

WHEREAS, Exhibit B describes the property known as THE SANCTUARY which is hereby submitted to this Declaration, and which is subdivided into residential lots, and

WHEREAS, Declarant 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 his Declaration and amendments thereto by the recording of this Declaration. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Properties and the interrelationship of the component residential developments, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Properties as are now or may hereafter be subjected to this Declaration.

NOW, THEREFORE, Declarant hereby declares that all the property described in Exhibit "B" (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. 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

1.01 “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 or any commercial establishment or association, become the responsibility of the Association or a governmental entity.

1.02 “Association” shall mean and refer to The Sanctuary Property Owners Association, an Alabama nonprofit corporation, its successors and assigns.

1.03 “Assessment” shall mean any Base Assessment, Special Assessment or other charge as described in Article IX.

1.04 “Base Assessment” shall mean and refer to assessments levied to fund expenses applicable to all Members of the Association.

1.05 “Board of Directors” or “Board” shall be the governing body of the Association having its normal meaning under Alabama law.

1.06 “Bylaws” shall mean the Bylaws of the Association.

1.07 “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.

1.08 “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.

1.09 “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 Committee, Modifications Committee and Board of Directors.

1.10 “Condominium Association” shall mean a condominium or homeowner association which has been formed to govern and manage common property and/or facilities which are used exclusively by the members of the Condominium Association.

1.11 “Declarant” or “Developer” shall mean and refer to MEYER PROPERTIES, INC., as to the property (real, personal and mixed) owned by it and now

or hereafter submitted to this Declaration and to any successor or assign designated by recorded document from Declarant as a successor Declarant.

1.12 "Lot/Unit" Lot shall mean a portion of the Properties located within the areas designated as a residential lot. A Lot/Unit shall mean and include a lot whether improved or unimproved and each single family living Lot/Unit in a condominium building. For the purposes of this Declaration, a Lot/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.

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

1.14 "Owner" shall mean and refer to one or more persons or entities who hold the record title to any Lot/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 Lot/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 the Declarant.

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

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

1.17 "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.

1.18 "Special Assessment" shall mean and refer to assessments levied in accordance with Article IX of this Declaration.

1.19 "Subsequent Amendment" shall mean an amendment to this Declaration which 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.

ARTICLE II

PROPERTY RIGHTS

2.01 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 Lot/Unit and a public road.

2.02 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.

2.03 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 Lot/Unit remains unpaid, and for a period not to exceed 60 days for any infraction of its published rules and regulations.

2.04 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.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.01 Membership. Every Owner shall be deemed to be a member in the Association while he remains an owner but each Lot/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 or by the Member's attorney-in-fact.

Membership in the Association shall pass with the title to each Lot/Unit as an appurtenance thereto.

3.02 Voting Rights. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". Class "A" Members shall be all Owners with the exception of the Class "B" Member, if any.

Class "A" Members shall be entitled to one (1) vote in the Association for each Lot/Unit owned as set forth in Section 3.01 hereof.

There shall be only one vote per Lot/Unit. When more than one Person is the Owner of any Lot/Unit, the vote for such Lot/Unit shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot/Unit's' vote shall be suspended in the event more than one Person seeks to exercise it. The Association may promulgate voting guidelines for multiple owners.

(b) Class "B". The Class "B" Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale, and who is designated as such in a recorded instrument executed by Declarant. The Class "B" Member shall be entitled to cast twice the number of votes which are contained in the total of all Class "A" Members, until such time when Class "B" membership terminate and convert to Class "A" membership.

The Class "B" membership shall terminate and become converted to Class "A" membership upon the happening of the earlier of the following:

- (i) When seventy-five percent (75%) of the maximum number of Lots/Units allowable (as defined in Section 11.01) for the property described on Exhibit "A" have been conveyed;
- (ii) December 31, 2010; or
- (iii) When, in his discretion, the Declarant so determines, with the approval of first mortgagee of Declarant.

From and after the happening of these events, whichever occurs earlier, the Class "B" Member shall be deemed to be a Class "A" Member. At such time, the Declarant shall call a meeting, as provided in the Bylaws of the Association for special meetings, to advise the membership of the termination of Class "B" status and to elect members of the Board of Directors.

ARTICLE IV

MAINTENANCE

4.01 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 situation 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 which 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 or Condominium Association 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 Residential or Condominium 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 then 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.

4.02 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 Lot/Unit and all structures, parking area, and other improvements within a Lot/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 an 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.

4.03 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 Lot(s)/Unit(s) for providing such maintenance and all things reasonably related thereto.

4.04 Association's Maintenance and Ad Valorem Tax Responsibility. The Association shall maintain and keep in good repair the Common Areas, 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 floras, structures 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 Areas, which shall be maintained out of regular assessment for common expenses. The Association shall pay all ad valorem taxes assessed against the Association assets, said payment to be maintained out of regular assessments for common expenses.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

5.01 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 Condominium 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 one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

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 Dollars (\$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 Dollars (\$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 or Condominium Associations shall be charged to those Associations. 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 IX hereof.

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

(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 reasonably 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 Condominium Association shall be for the benefit of the Owners and Mortgagees of Lots/Units within the Condominium 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 mortgagees.

(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 Owners' 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 Article, the Board shall obtain, as a Common Expense, 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.

5.02 Individual Insurance. By virtue of taking title to a Lot/Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket all-risk casualty insurance on his Lot/Unit and structures constructed thereon as provided for in this Article unless the Association, or Condominium Association in which the Lot/Unit is located (which it is not obligated to do) carries such insurance. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of structures comprising his Lot/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 Lot/Unit of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction.

A Condominium Association may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Lot/Unit and the standard for returning the Lot/Unit to its natural state in the event the Owner decided not to rebuild or reconstruct.

5.03 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 Lot/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.

5.04 Damage and Destruction.

(a) 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.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless the Members representing at least seventy-five percent (75%) 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.

(c) 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.

5.05 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, without the necessity of a vote of the Members, 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 CONTROL

6.01 Architectural Review Committee.

a) An Architectural Review Committee consisting of three persons, which shall have extensive construction or development knowledge, shall exist and function in the manner and with the powers hereinafter set forth. Neither the committee nor any member of the Committee shall in any way be liable to any Owner or other person or entity for any action or inaction by the Committee or any member thereof in connection with any of the covenants, conditions, limitations, restrictions and provisions of this Declaration. The Architectural Review Committee has the full power to approve or disapprove any concept or material in which it deems appropriate or inappropriate for any reason. The initial members of the committee shall be Wade Ward, Joseph W. Ward, Jr. and Stephen Ward.

b) The terms of service of each member of the initial said Committee shall be ten (10) years from the date hereof. All subsequent Architectural Review Committee terms shall be for a period of three (3) years, provided, however, that Developer may, by written instrument duly recorded, at any time during said ten (10) years remove any member of the Committee, or replace any member, or name a new member in place of any member who has resigned or died or at the developer's sole discretion turn over the Architectural Review Committee to the Board of Directors at any time within the said ten (10) years. At any time after ten (10) years from date hereof, the Association, acting through its Board of Directors, (i) may, by written instrument duly recorded, remove any member of the Committee or replace said member, or name a new member in his or her place in the event he or she for any reason ceases to so serve; and (ii) shall designate and appoint the members of the Committee and determine the length of their respective terms. The decision of a majority of the members of the Committee shall be the decision of the Committee. In the event of the death, resignation or removal of one or more members of said Committee, the remaining member shall have full authority to act in the name of the Committee pending the appointment of a successor member. With respect to all matters, which are, by the terms of this instrument to be decided by the Committee, the decision of the Committee shall be final and binding on all parties.

c) In order to maintain the Property as a pleasant and desirable environment, to establish and preserve a harmonious design for the residential community and to protect and enhance the value of the Property, no cutting of trees, or clearing of property shall be allowed and further no building, wall, fence, or other structure or improvements of any nature shall be erected, placed, attached to or altered until the proposed plans, specifications, exterior colors and finish, plot plans (showing proposed location of such building or structure, drives, locations of trees and parking areas) building height and landscape plans in duplicate shall have been approved in writing by the Architectural Review Committee prior to commencement of construction.

d) The architectural and design review shall be directed toward obtaining the following objectives:

1. Preventing excessive or unsightly grading, indiscriminate earth moving, clearing of property or removal of trees and vegetation which could cause disruptions of natural water courses or erosion of natural land forms, or in the reasonable discretion of the Architectural Review Committee would distract from the natural beauty.
2. Ensuring that the architectural design of structures and their materials and colors are visually harmonious with the overall appearance of other buildings and structures in the commercial park.
3. Ensuring that the plans for landscaping provide visually pleasing settings for structures on each Lot and on adjoining Lots and blend harmoniously with the natural landscape.
4. Ensuring that any development, structure or landscaping complies with the provisions of those covenants and this Declaration.

e) Each Owner shall, prior to the commencement of any construction, submit in sequence and duplicate (2) two, to the Architectural Review Committee, the following plans, specifications, proposals and documents which must be approved by an Alabama registered and currently licensed architect and/or engineer who must affix his official registration seal thereto:

1. A "preliminary concept" plan which shall include schematic site plans, floor plans and exterior elevations;
2. Current Lot survey delineating type and location of all trees exceeding six (6) inches in diameter, as shown on Tree Survey, which will be supplied, upon request, by the Developer.
3. "Design proposals" which shall include more detailed building and site design documents sufficient and definitive in detail so that there can be determined the character, exterior appearance, exterior materials and colors and the quality and kind of building and landscape materials proposed; and
4. "Construction plans and specifications" which shall be a true extension of the preliminary concept plans and design proposals.

f) The Architectural Review Committee shall establish the amount of a fee sufficient to cover the expense of reviewing plans and related data at the time they

are submitted for review and to compensate any consulting architect's or attorney's retainer. The fee initially established by this Declaration should be \$400.00 for each submission. The Architectural Review Committee shall have the right to increase or decrease this amount at any time. In addition to this amount before any approved plans can be returned, an additional \$350.00 for a mailbox and \$1000.000 for construction damage deposit shall be deposited with the Architectural Review Committee. Approvals shall be dated and shall not be effective for construction commenced more than twelve (12) months after date of such approval. Disapproved plans and a reasonable statement of items found to be unacceptable shall accompany related data. In the event approval of such plans is neither granted nor denied within thirty (30) days following receipt by the Architectural Review Committee of the written request for approval accompanied by all required fees, drawings, plans and other documentation, the provisions of this Paragraph 4 shall be thereby waived. Refusal or approval of plans, site location, building height or specifications may be based by the Architectural Review Committee upon any grounds which is consistent with the objectives of this Declaration, including purely aesthetic considerations, so long as such grounds is not arbitrary or capricious.

g) The approval, rejection, or withholding of any approval, of the plans, proposals and specifications and the location of all structures, and every alteration of any structure shall not be construed or interpreted as a representation or determination by the Architectural Review Committee or Developer that any building, plumbing, electrical code or other applicable governmental regulations or requirements have or have not been properly met by the Owner. The Architectural Review Committee shall not be responsible or liable for any defect in any plans or specifications submitted, revised or approved under these covenants nor for any defect in construction pursuant to such plans and specifications. Each Owner shall be responsible for obtaining all necessary technical data and to make application to and obtain the approval of the City of Gulf Shores, Alabama, and any other appropriate governmental agencies (including but not necessarily limited to the U.S. Corps of Engineers, Alabama Department of Environmental Management, or any other governmental agency) prior to commencement of any work or construction.

h) Developer shall have no duty, responsibility or liability to any Owner or to any other person whomsoever in respect to the exercise of its rights or the failure to exercise its right or for anything the Architectural Review Committee may do or not do. The Architectural Review Committee may reject plans, proposals and specifications based on any grounds or reason whatsoever, including purely aesthetic grounds, in its sole and absolute discretion. The Architectural Review Committee's decision to approve, reject or withhold its approval of such work may, in the sole exercise of its discretion, be based upon:

1. The harmony of its exterior design, color and location in relation to, and its effect upon, surrounding structures, vegetation, topography and the overall community design;
2. The character of the exterior materials;

3. The planned quality of the exterior workmanship;
4. The Architectural Review Committee's design and construction standards;
5. The general development plan; or
6. Any other material and relevant factors.

i) The affirmative vote of a majority of the members of the Architectural Review Committee shall be required in order to issue any approval of plans, proposals or specifications.

j) Developer shall have the right to relinquish to the Association at any time the right and duty to designate and appoint the members of the Committee.

k) The Association shall indemnify every member of the Architectural Review Committee against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any member in connection with any action, suit, or other proceeding to which he or she may be a party by reason of being or having been a member of the Architectural Review Committee. The members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith.

ARTICLE VII

USE, CONSTRUCTION AND GENERAL RESTRICTIONS

The Board of Directors is hereby empowered to promulgate and enforce general standards of behavior and use of Properties. 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. Additional and/or stricter use restrictions may be imposed by Declarant on Exhibit "B" property prior to conveyance of public record of a Lot/Unit therein and similarly as to property annexed by subsequent amendment.

7.01 Aesthetic Appearance. Each Owner shall provide a visually screened area to serve as a service yard for garbage receptacles, electric meters and air conditioning equipment on the Owner's Lot. Other unsightly objects must be placed or stored in order to conceal them from view from the streets and adjacent properties. No window air conditioning units may be installed or used on any Lots.

7.02 Accessory Structures. Accessory structures built or placed on any Lot must be located within the required setbacks as shown on the Plat, must match architectural details of the main Building, and the roofs and exterior walls of same must

be compatible with the main building in both design and color and be approved by the Architectural Review Committee.

7.03 Accumulation of Refuse. No lumber, metals, bulk materials (except lumber, metals, bulk materials as are usual in the maintenance or construction 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 entire 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 Lot 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. Residential homes shall make use of rolling garbage containers as may be available through the local garbage service provider.

7.04 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, no pets shall be permitted to roam free.

7.05 Antennas. No exterior television or radio antennas or dishes of any kind shall be placed, allowed, or maintained upon any portion of the Properties including any Lot/Unit, without the prior written consent of the Architectural Review Committee of its designee. If allowed, such antennas or dishes shall be visually screened from adjoining properties and streets.

7.06 Exterior Lighting. Exterior lighting must be provided for safety and security, and shall be in character with the entire subdivision. Recessed down lighting, sconces, and vertical landscape lighting are recommended. Building mounted floodlights are not permitted. No lighting may be located so as to interfere with vehicular traffic or become a nuisance to adjoining properties, by adversely affecting the nighttime environment of adjacent properties. The Architectural Review Committee will review all post-mounted lighting and building fixtures, which are visible from the street or other properties. All exterior lights are to be approved by the Architectural Review Committee.

7.07 Business Activity. Subject to Section 7.27 of this Article VII, no profession or home industry shall be conducted in or on any part of a Lot/Unit or in any improvement 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 Lot/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.

7.08 Driveways/Parking. Each residence located on a Lot must have a driveway and parking area of a permanent nature, made of stained concrete, decorative concrete, or asphalt with a permanent curb wall of concrete.

Parking. All parking for each residential Lot must be so designed as to accommodate a minimum of two additional cars in addition to said Lot owner's own automobiles.

7.09 Garages – Carports and Porte-cocheres. Garages, carports, garage apartments and studios and Porte-cocheres will be allowed. Garage apartments and studios will be allowed on a floor above Garage in a design that is compatible with the main structure. Garages must be equipped with doors and automatic door openers and doors shall remain closed when not entering or exiting. Carports or Porte-cocheres (being unenclosed areas) will not be required to have doors, but must be maintained in a clean and non-obtrusive manner and free of clutter. In the event an owner elects to provide a parking area under the constructed dwelling, entire area under the dwelling shall be enclosed in a manner compatible with the rest of the structure. No oversized garage or carport structures commonly used to house motor homes, boats or recreational vehicles shall be allowed.

7.10 Chimney Flues. Exposed chimney flues shall be enclosed.

7.11 Trash Receptacles. All trash receptacles must be tightly closed and rodent-proof, and must be stored in an approved enclosure, which shall not be exposed to any street view. No trash or garbage may be placed on the street or curb except on pick-up day. No lumber, metals or bulk materials may be kept, stored or allowed to accumulate on any Lot, except building materials used during the course of construction. No refuse or trash shall be kept, stored or allowed to accumulate except between scheduled weekly pick-ups.

7.12 Clothes Lines. No clothing or any other household fabrics shall be hung in the open on any Lot/Unit.

7.13 Utility Easements. Permanent and perpetual easements as shown on the Plat are reserved for installation and maintenance of utilities and facilities, fences, landscaping and otherwise.

7.14 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 or other service calls. 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 Owner's residential garage shall not be considered a commercial vehicle even though it may have a sign or logo on the side or rear thereof.

7.15 Excavation of Site. No soils, rock, gravel or clay shall be excavated or removed from any property, except by the Declarant, for commercial purposes. No land clearing or tree removal is to be performed without the prior consent of the Architectural Review Committee.

7.16 Connection Point For Utilities Service. To the extent of the interests of the Owner of each Lot/Unit, such Owners agree to connect utility service lines (including, but not limited to, gas, water, sewer and electricity) at points designated by Declarant. All utilities must be served by underground service.

7.17 Maximum Building Height/Stories. All buildings must conform to Federal Flood Zone regulations for minimum finished floor elevations. The total maximum height of any building shall not exceed three (3) habitable stories nor thirty-five (35) feet from the floor elevation of the lowest habitable floor to the highest peak of the roofing structure.

7.18 Permissible Building Areas.

a) The "Permissible Building Area" of each Lot as shown on the Plat in which any building, deck, patio or other permanent structure (not including roof overhangs, unenclosed balconies, open patios, docks and piers, and unenclosed walkways) may be built or maintained, is the area of each Lot that is within the portion of the Lot encompassed by continuous dotted lines as shown on the Plat.

b) Setback requirements represent the perimeters in which all buildings, decks, patios or other permanent structures can be built or maintained, except when two or more lots are joined for the purpose of building one primary residence, the interior setbacks between lots is not applicable. Building setbacks are as shown on the Plat. Minimum yard requirements are as shown on the Plat.

c) The Maximum. Area of a Lot that can be covered by buildings and structures, excluding roof overhangs, unenclosed balconies, patios, and unenclosed walkways, is thirty two (32%) percent of the total area of the Lot and area must be within the Permissible Building Area as defined herein. The total gross square footage of the dwelling shall not exceed forty percent (40%) of the gross lot square footage. Both of the beforementioned calculations shall be included in the plans submitted to the Architectural Review Committee.

d) Minimum Square Footage. All Lots shall contain a main residence structure of at least 1600 square feet of heated and cooled space; in addition the following requirements shall be adhered to:

One Story Structure	1600 sq. ft.
Two Story Structure	1800 sq. ft. 1 st floor min. 1000 sq. ft.
Three Story Structure	2000 sq. ft. 1 st floor min. 1200 sq. ft.

In the event Condominiums are constructed and submitted to the rights and obligations contained herein, the above Permissible Building Area and Minimum Square Footage requirement shall not apply to said Condominiums.

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

7.20 Pools and Pool Enclosures. Pools are allowed on a case by case basis and all dimensions, specifications and drawings shall be submitted to the Architectural Review Committee for approval prior to any construction or excavation.

7.21 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 Architectural Review Committee or Declarant. 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.

7.22 Landscaping Mandatory. Each owner shall landscape his Lot prior to occupation thereof subject to these covenants and the guidelines promulgated by the Architectural Review Committee.

7.23 Landscaping. A complete set of landscape plans drawn by a Landscape Designer or Architect must be provided showing in great detail all plantings as well as what trees must be removed and the locations of the replacement trees and all other plantings. The site on which Sanctuary is built is blessed with some of the oldest growth on the island. Much of the natural flora and fauna have been left on your lot to encourage nature scapes. All owners are asked to respect the plant growth which abounds and not to destroy it. All trees, other than pine trees, larger than six (6) inches in diameter shall be located, surveyed, and drawn on a plot plan overlay. Large oaks and other species will not be allowed to be cut. And the Architectural Review Committee will either approve or disapprove all site plans according to tree surveys. (All homes must be designed around these trees.) All landscaping must be maintained by automatic underground sprinkler system. For each tree cut the respective owner must replace it with 3 approved shade trees of a minimum of six (6) inches in diameter and a minimum heights of ten (10) feet. These are only minimums and additional landscaping is encouraged. Hardship cases will

be allowed on a case by case basis. Roadside clearing shall be kept at a minimum, allowing for privacy between street activities and the residences.

7.24 Mailboxes – Newspaper Boxes. The Declarant shall purchase and place a standard mailbox for each residence, no other boxes shall be used.

7.25 Maintenance of Hedges and Plants. The Association shall have the right to enter upon any part of the Lot 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 Committee, by reason of its location upon the Lot 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. The owner shall be responsible for the payment of all expenses incurred by the Association for the maintenance provided under this Section.

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

7.27 Model House, Real Estate Office. All else here notwithstanding, with the written approval of the Architectural Review Committee, any Lot/Unit may be used for a model home or for a real estate office, but only by Declarant, for so long as Declarant owns any Lots/Units.

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

7.29 Piers, Docks, or Boathouses. Piers, docks, or boathouses will be allowed but only if the Architectural Review Committee approves the design, size and placement of such structures. Such structures shall be designed in a manner to be compatible in both materials and design with that of the main housing structure.

7.30 Dwelling Elevations. All dwellings shall be built on piers or pilings in order to meet required Federal Flood Zone minimums. This area shall give a raised cottage appearance and shall be finished in materials compatible with the remaining dwelling structure. If lattice is to be used, it shall be square not to exceed more than six (6") inches of open space between boards. In the event the elevation of the first habitable floor exceeds a height of three (3) feet above the grade lot level, then and in that event, lattice or other approved venting method may be used only as an accent and not as the dominant architectural feature.

7.31 Nuisances. Nothing may or shall be done which may be or may become an annoyance or nuisance to any person or to the Subdivision. No obnoxious, unpleasant or offensive activity shall be carried on, nor may anything be done, which can be reasonably construed a nuisance, public or private in nature.

7.32 Factory Built Structures. No structure of any kind of what is commonly known as “factory built”, “storage shed” or “mobile home” type construction shall be erected or placed on any lot.

7.33 Recreational Vehicles. No boat, boat trailer, house trailer, horse trailer, trailer, camper, motor home or any similar items shall be stored on any Lot 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. The foregoing notwithstanding, the Declarant and its employees or contractors may temporarily place job construction or sales trailers within the Property for use as temporary offices.

7.34 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.

7.35 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 Committee shall adopt and promulgate rules and regulations relating to signs and other advertising devices. Signs and other advertising devices when in compliance with criteria as established by the Architectural Review Committee may be erected and maintained upon the Owner’s Lot. Notwithstanding the foregoing, the Declarant specifically reserves the right for itself, its successors, nominees, assigns and the Association to place and maintain, in connection with constructing, marketing, sales and rental of Lots/Units, any identifying or informational signs anywhere on the property.

7.36 Solar Collectors. No solar collectors, other than those installed by Declarant, shall be permitted without the prior written consent of the Architectural Review Committee and when allowed shall be installed so as not to be visible from any street.

7.37 Subdivision or Partition. No Lot/Unit shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise. Declarant reserves the right to amend the preliminary plat for the purpose of decreasing or increasing Lot sizes.

7.38 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.

7.39 Underground Utilities. To the extent of the interest of the Owner of a Lot, the Owner of a Lot 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 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 Lot for the mutual benefit of all owners therein, no Owner of any such Lot will commence construction of any house on any such Lot/Unit until such Owner (1) notifies the electric utility that such construction is proposed, and (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 service lateral on each Lot.

If required by the electric utility, such electric utility, its successors and assigns, may retain title to the underground service lateral and outdoor metering trough 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.

7.40 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 Properties as necessary for the operation and maintenance of THE SANCTUARY.

7.41 Wall and Window Air Conditioning Units. Wall and window air conditioning units shall not be permitted.

7.42 Walls and Fences. No cyclone or chain link fences shall be allowed. Walls and fences shall be of a permanent nature that is compatible in appearance with the main structure. Living fences may be allowed if approved by the Architectural Review Committee. No wall or fence shall be constructed, unless otherwise approved by the Architectural Review Committee. No fence may be closer to the front than the rear of the residence except that an owner upon approval by the Architectural Review Committee may have an entry gate or decorative fence to the front as long as it is in good character and design as deemed by the Architectural Review Committee and that the fence shall not exceed forty-eight (48) inches in height. Any dispute as to height, length, type of design,

composition or material shall be resolved by the Architectural Review Committee, whose decision shall be final and binding on all parties.

7.43 Occupants Bound. All provisions of this Declaration and of any rules and regulations 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 Lot/Unit.

7.44 General Construction Guidelines.

a) Colors. No exterior colors on any structure shall be permitted that, in the sole judgment of the Architectural Review Committee, would be inharmonious or discordant or incongruous with Sanctuary. No more than three (3) colors, exclusive of the roof color, may be used in any one scheme, without prior approval of the Architectural Review Committee. All main color schemes for exterior colors shall be of an earthen nature, no other colors will be approved. Accents and trim colors shall be dark green, white or off white; no other color(s) will be approved.

b) Roof materials and Appurtenances.

(1) It is the intent that the roofs of all buildings within Sanctuary be a key factor in unifying the community, thus all roofing finishes must be constructed using metal roofing materials of a white, silver or gray color of a galva-lume or standing seam nature. Composition, metal or concrete tiles, fiberglass or asphalt shingles or wood shakes shall not be allowed. Irrespective of what material a roof may be constructed of, no roof having the appearance of tile shall be allowed. Flat roofs are not acceptable. A minimum roof pitch of 6 in 12 is required. No roof structure shall exceed a pitch of 12 in 12. All appurtenant roofs shall have a roof with material compatible with the main structure.

(2) Roofing overhangs should be maximized wherever possible to provide shading and protecting from subtropical climates. All roof overhangs must be a minimum of 24". The minimum overhang may be increased, but it must be engineered in accordance with the City of Gulf Shores, Alabama and with the Baldwin County Supplemental Building Code.

(3) Roof accessories such as vent stacks and roof vents shall be painted to match the roof color, and whenever possible placed out of the street view of the structure. All vents shall be covered with lead or copper roof. No exposed PVC pipe shall be allowed. No contemporary shed roofs allowed.

7.45 Exterior. All exteriors shall be constructed of board and batten siding, lap siding, or stucco. Brick may be used but not to exceed 36" high except as accents but not

as a total brick home. No reverse board and batten shall be allowed. All windows facing the streets must have operable shutters of either colonial, batten or Bahamian or others approved by the Architectural Review Committee. No vinyl sidings of any type may be used on any exterior part of any building.

7.46 Building Construction in General. No construction whatsoever shall be commenced until the party proposing to undertake such construction shall have obtained all construction and work permits necessary from all governmental agencies having jurisdiction over any aspect of such construction and the approval of the Architectural Review Committee. All construction activities shall be conducted in a manner, which minimizes the impacts to surrounding properties. All construction shall be done in a timely manner and no construction activities shall take place on weekends or legal holidays or between the hours of 6 P.M. and 7 A.M. All building sites shall be kept in an orderly and non-cluttered manner, contractors not adhering to this, shall be subject to a fine levied by the Homeowners Association in such amount and after such notice and hearing requirements that the Board of Directors may require. No fires will be allowed and under no circumstances shall work crews become a nuisance to adjoining properties. It is furthermore understood that the property owner of said property shall be responsible to see that these guidelines are followed and adhered to.

7.47 Architectural Guidelines. It is the Developer's desire to enforce through these guidelines a design concept which will employ designs which will result in cottage-style and designs, furthermore the homes of The Sanctuary will draw their designs from the South – big porches – raised porches and accentuated overhangs.

- a) Balconies, Decks, Verandas and Porches. All homes shall have a covered porch on the street side, a minimum depth of eight (8) feet. In addition to this porch, each residence shall also have two-hundred and fifty (250) square feet of other decks, porches, balconies, verandas or patios.
- b) Handrails, Columns and Balustrades. Both handrails and balustrades shall make an architectural statement and will be designed to be of properly proportioned scale and mass to the main structure and enhance the overall design concept. A detailed drawing of all exterior handrails, columns and balustrades must be furnished to the Architectural Review Committee.
- c) Windows. All windows shall be either full glass or divided light, true or simulated. No aluminum windows are allowed. Only wood or wood clad and approved vinyl windows shall be allowed.
- d) Doors. Entry doors shall make a strong architectural statement.

7.48 Use of Property. No previously approved structure shall be used for any purpose other than that for which it was originally designed.

7.49 Registration of Tenants. Any Owner of a Lot/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 names and phone numbers of the Owner and tenant, the Lot/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 Architectural Review Committee guidelines and any other document normally included in the set of documents furnished to a new Owner. Owner shall provide the Secretary of the Association with an acknowledgement signed by any tenant of said owner that the tenant has read, understands and agrees to abide by all of the said documents.

ARTICLE VIII

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

8.01 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 improvements thereon, and shall keep them in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

8.02 Personal Property and Real Property for Common Use. The Association, through act of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Committee, 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.

8.03 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. Sanctions may include reasonable monetary fines and suspension of the right to vote and the right to use the Common Area. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the Bylaws of the Association. 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.

8.04 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 reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

OF 1967 AFTER OCTOBER 1961

OF 1067 AFTER 0507Z 04JAN1951

OF 1967 AFTER OCTOBER 1961

OF 1067 AFTER 0507Z 04JAN1951

OF 1067 AFTER 0507Z 04JAN1951

OF 1067 AFTER 0507Z 04JAN1951

OF 1067 AFTER 0507Z 04JAN1951

OF 1067 AFTER 0507Z 04JAN1951

OF 1067 AFTER 0507Z 04JAN1951

applicable. The Board shall cause a copy of the budget, and the amount of the assessments to be levied against each Lot/Unit for the following year, to be delivered to each Owner at least fifteen (15) days prior to the meeting. The budget and the assessments shall become effective unless disapproved at the meeting by a vote of the Members representing at least a majority of the vote of the Class "A" and the Class "B" Members.

(a) Notwithstanding the foregoing, however, in the event the 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 Members representing a majority of the Association, impose a Base Assessment per Lot/Unit which exceeds the Base Assessment per Lot/Unit for the immediately preceding fiscal year by more than twenty percent (20%) 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.

9.03 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 the vote or written assent of the Members representing fifty-one percent (51%) of the Class "A" and Class "B" Members; provided further, after the conversion of the Class "B" membership, any such assessment shall have the vote or written assent of the Members representing fifty-one percent (51%) of the total votes of the Association other than the Declarant. The Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member and his Lot/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.

9.04 Lien for Assessments. Upon recording of a notice of lien, there shall exist a perfected lien for all unpaid assessments, including Special Assessments, on the respective Lot/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 9.01 hereof, suit to recover a money judgment for unpaid Common Expenses and attorney's fees 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 Lot/Unit or Land Segment at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot/Unit is owned by the Association following foreclosure:

- (i) No right of vote shall be exercised on its behalf;
- (ii) No assessment shall be assessed or levied on it; and

(iii) Each other Lot/Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Lot/Unit had it not been acquired by the Association as a result of foreclosure.

9.05 Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which 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 this Article. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

9.06 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots/Units 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 according to the number of days then remaining in that fiscal year.

9.07 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 Lot/Unit. The sale or transfer of any Lot/Unit shall not affect the assessment lien. However, the sale or transfer of any Lot/Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage due to a bona fide lender shall extinguish the lien of such assessments as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot/Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first mortgage of record or other purchaser of a Lot/Unit obtains title, his successors and assigns shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot/Unit which became due prior to the acquisition of title to such Lot/Unit by such acquirer. Such unpaid share of Common Expenses of assessments shall be deemed to be

Common Expenses collectible from all of the Lot/Lots/Units, including such acquirer, his successors and assigns.

9.08 Capitalization of Association. Upon acquisition of record title to a Lot/Unit from Declarant, each Owner shall contribute to the capital of the Association an amount equal to Five Hundred Dollars (\$500.00). This amount shall be deposited by the buyer into the purchase and sales escrow and disbursed therefrom to the Association for general operating expenses. Amounts paid into this working capital fund shall not be considered as advanced payments of regular or special assessments.

9.09 Proportional Rate of Assessment. Both annual and special assessments shall be fixed at a proportional basis for each Lot/Unit based upon the total member of Lots/units, and may be collected on a monthly basis. Each Member is obligated to pay the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twenty-one percent (21%) per annum, or the highest rate allowable by law, whichever is greater and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof

ARTICLE X

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 and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE XI

ANNEXATION OF ADDITIONAL PROPERTY

11.01 Annexation Without Approval of Membership. Notwithstanding any other provision contained in this Declaration, the Declarant, its successors and assigns shall have the unilateral right, privilege, and option, from time to time at any time until December 31, 2010, 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. Such Subsequent Amendment to this Declaration shall not require the consent of the Members nor any of the formalities or requirements usually associated with amendments. Any such annexation shall be effective upon the filing for record of such Subsequent Amendment unless otherwise provided therein. Declarant shall have the option to annex additional property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least a portion of said real property described in Exhibit "A", and that such transfer is memorialized in a written, recorded instrument.

Any and all of the property described in Exhibit "A" may be annexed to the jurisdiction of the Association and the covenants, condition and restriction contained herein by Subsequent Amendment. Subsequent Phases may include single family residential lots or residential condominium units. The maximum number of Lots/Units allowed to be located within Parcel B of Exhibit "A" is twenty-five (25) Lots/Units and the maximum number of Lots/Units allowed to be located within Parcel C of Exhibit "A" is twenty-five (25) Lots/Units. If the additional property is submitted to the condominium form of ownership and annexed to the jurisdiction of the covenants, conditions and restrictions contained herein, then the construction of the buildings containing the condominium units shall be of such architectural style to be aesthetically compatible with the residential homes constructed in compliance herewith.

11.02 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.

11.03 Amendment. This Article XI shall not be amended without the written consent of the Declarant, so long as the Declarant owns any property described in Exhibit "A".

ARTICLE XII

CONDEMNATION

12.01 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 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 12.02, below.

12.02 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 Declarant and the 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 therefor, 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 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 XIII

GENERAL PROVISIONS

13.01 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 Declaration is recorded, at which time they shall be automatically extended for successive periods of ten (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.

13.02 Amendment. Prior to the first subsequent amendment and conveyance of property therein the Declarant may unilaterally amend and restate this Declaration in any respect except (if any Exhibit "B" property has been conveyed of record) as to material items specifically pertaining to Exhibit "B" property. Subject to the requirements of Section 13.03 hereof, this Declaration may be amended only by the affirmative vote or written consent of Members representing fifty percent (50%) of the total votes of the Association. However, 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. So long as there is a Class "B" membership, no amendment may remove, revoke, or modify any right or privilege of Declarant as specifically provided for in this Declaration or Amendments thereto without the written consent of Declarant or the assignee of such right or privilege. Any amendment must be recorded in the Office of the Judge of Probate of Baldwin County, Alabama. The Developer specifically reserves the right to amend this declaration on its own motion from time to time for a period of two (2) years from the date hereof, so long as such amendment(s) does not materially affect any lot or lots subject hereto which are/is no longer owned by the Developer. The Developer shall have the sole and exclusive right and option to cause more or less

contiguous property to be added to or to be made subject to the restrictive covenants herein contained at a later date. Such additions shall not be subject to any restrictive covenants which restrict the use of such added property to a standard lesser than the standards herein created except that such use may include single family, multi-family, or duplex use compatible with the standards set forth herein.

13.03 Limitations. The consent of at least two thirds (2/3) of the Class "A" votes and of the Declarant, so long as it owns any land described in Exhibit "A", as exercised through the Members, 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 Area;
- (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 Lot/Unit;
- (i) Leasing of Lots/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 Lots/Units;
- (k) Establishment of self-management by the Association where professional management has been required by an eligible holder;
- (l) Convertibility of Lots/Units into Common Areas or vice versa; or
- (m) Any provisions included in the Declaration, Articles of Incorporation or Bylaws which are for the express benefit of holders, guarantors or issuers of first mortgages on Lots/Units.

13.04 Clarifications, etc. Declarant shall have the right at any time within five (5) years from the date hereof to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein, or to change or add provisions to this Declaration for the purpose of meeting the requirements of National Secondary Lenders and/or governmental agencies, including but not limited to the FHLMC, Federal Housing Administration and the Veterans Administration. Such Amendment needs to be executed and acknowledged by the Declarant only, and need not be approved by the Association, Owners, lienors and mortgagees of Lots/Units, whether or not elsewhere required for amendments. No Amendment shall alter the subordination provisions of this Declaration without the prior approval of any mortgagee enjoying such protection.

13.05 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 part 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 (except to the extent that such officers or directors may also be Members 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.

13.06 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Lot/Unit and such portion or portions of the Common Area adjacent thereto or as between adjacent Lots/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 Lot/Unit and adjacent portion of the Common Area or as between said adjacent Lots/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.

13.07 Easements for Utility and Irrigation. There is reserved unto the Declarant, so long as it owns a Lot/Unit, the right to grant reasonable easements for the installation and maintenance of temporary roads, cable television services, if applicable, public

utilities and irrigation systems (including the installation of irrigation pumps) on the Common Area and the properties in addition to those easements already reserved.

13.08 Easement for Governmental, Health, Sanitation and Emergency Services. There is hereby granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation, 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.

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

13.10 Rights of Entry. The Association shall have the right, but shall not be obligated, to enter any Lot/Unit for emergency, security, or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, manages, 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 Lot/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 an Owner fails or refuses to cure the condition upon request by the Board.

13.11 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

13.12 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a seventy-five percent (75%) vote of the total Members of the Association. This Section 13.12 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 IX hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section 13.12 shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes and pursuant to the same procedures necessary to institute proceedings as provided above.

13.13 Indemnity for Damages. Each and every Owner and future Owner, in accepting a deed or contract for any Lot/Unit subject to these Restrictions, agrees to indemnify Declarant, its successor and assigns for any damage caused by such Owner, or the contractor, agent or employees of 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.

13.14 Indemnification of Declarant. The Association agrees to indemnify and hold harmless Declarant, its successors and assigns from any and all liability arising out of accidental death or injury on the Common Area, including all costs and attorney fees resulting from or arising out of such death or injury.

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

ARTICLE XIV

DECLARANT'S RIGHTS

14.01 Transfer of Rights. Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Office of the Judge of Probate of Baldwin County, Alabama. Nothing in this Declaration shall be construed to require Declarant or any successor to develop any of the property set forth in Exhibit "A" in any manner whatsoever.

14.02 Right of Approval. Notwithstanding any other provision contained in this Declaration, this Section 14.02 may not be amended without the express, written consent of the Declarant until Declarant no longer owns any land described in Exhibit "A" to the Declaration or until December 31, 2020, whichever first occurs.

(a) Upon the termination of the Class "B" membership, the Declarant shall have the right to approve all actions of the Association, Board and the Architectural Review Committee as those actions may affect the Declarant's rights to improve, construct, market and sell the remaining portions of land described in Exhibit "A". This right shall be exercisable only by Declarant, its successors and assigns who specifically take this right in a recorded instrument. The right shall be exercised as follows:

(b) No action authorized by the Board or Architectural Review Committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(i) Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Board or the Architectural Review Committee by certified mail, return receipt requested, or by personal delivery at its address registered with the Secretary of the Association, as it may change from time to time; and

(ii) Declarant shall be given the opportunity at any such meeting to join in or to have his representatives or agents join in discussion from the floor of any prospective action, policy or program to be implemented by the Board or the Architectural Review Committee. Declarant and his representatives or agents shall make its concerns, thoughts, and suggestions known to the members of the Architectural Review Committee or the Association and/or the Board. Such right must be exercised by Declarant, its representatives or agents with ten (10) days after the meeting held pursuant to the terms and provisions hereof.

14.03 Construction and Sale. Notwithstanding any provisions contained in this Declaration to the contrary, so long as construction and initial sale of Lots/Units shall continue, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Properties and/or of the Common Area such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of Lots/Units, including, but not limited to, business offices, signs, model Lots/Units, and sales offices, and the Declarant shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall specifically include the right to use residences owned or leased by the Declarant as models and sales offices.

(a) Notwithstanding any other provision in this Declaration, the Declarant is irrevocably empowered to sell, lease or rent Lots/Units on any terms to any purchasers or lessees for as long as it owns a Lot/Unit.

(b) So long as Declarant continues to have rights under this paragraph, no person or entity shall record any declaration of covenants, conditions, and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent thereof, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

(c) This Section 14.03 may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Section 14.03 shall terminate upon the earlier of (a) thirty (30) years from the date this Declaration is recorded, or (b) upon the recording by Declarant of a written statement that all sales activity has ceased.

FILED 1004 SEP 2001

IN WITNESS WHEREOF, MEYER PROPERTIES, INC., has caused this Declaration to be executed in its name by its President, Wade Ward, and its corporate seal to be affixed and attested by its Assistant Secretary, this 15th day of December, 1999.



MEYER PROPERTIES, INC.

By: Wade Ward
Its President

Dwight G. Johnston Jr.
As its Assistant Secretary

STATE OF ALABAMA:

COUNTY OF BALDWIN:

I, the undersigned Notary Public in and for said County, in said State, hereby certify that WADE WARD, whose name as President of MEYER PROPERTIES, INC., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said corporation.



Given under my hand and official, notarial seal this 15th day of December, 1999.

(AFFIX NOTARIAL SEAL)

Hilda B. Boykin
NOTARY PUBLIC, BALDWIN COUNTY, ALABAMA
MY COMMISSION EXPIRES: 3/21/2001

Instrument Prepared By:

G. DAVID CHAPMAN III, P.C.
Attorneys at Law
Post Office Box 1508
Gulf Shores, Alabama 36547
File 99.8584

EXHIBIT "A"

PARCEL A:

COMMENCE AT THE SOUTHERNMOST CORNER OF THE WESTERN LINE OF LOT 14 OF EAST BEAR CREEK ESTATES (AMENDED) AS RECORDED ON SLIDE 1157-B, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA FOR THE POINT OF BEGINNING; RUN THENCE NORTH 75 DEGREES 50 MINUTES 22 SECONDS EAST ALONG THE SOUTH BOUNDARY OF SAID LOT 14 FOR 165.55 FEET; RUN THENCE NORTH 25 DEGREES 58 MINUTES 13 SECONDS EAST FOR 72.11 FEET TO A POINT ON A CUL-DE-SAC ON BEAR CREEK COVE; RUN THENCE IN A SOUTHEASTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50 FEET FOR AN ARC DISTANCE OF 66.04 FEET, A CHORD OF SOUTH 62 DEGREES 56 MINUTES 40 SECONDS EAST FOR 61.34 FEET; THENCE SOUTH 01 DEGREES 30 MINUTES 48 SECONDS EAST FOR 162 FEET, MORE OR LESS, TO THE NORTH MARGIN OF A CANAL; RUN THENCE IN A WESTERLY DIRECTION ALONG THE NORTH MARGIN OF SAID CANAL TO A POINT THAT IS SOUTH 57 DEGREES 26 MINUTES 28 SECONDS WEST AND 190.95 FEET FROM THE POINT OF BEGINNING; RUN THENCE IN A SOUTHWESTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 59.55 FEET FOR AN ARC DISTANCE OF 24.06 FEET, A CHORD OF SOUTH 71 DEGREES 35 MINUTES 20 SECONDS WEST FOR 23.89 FEET; RUN THENCE SOUTH 62 DEGREES 25 MINUTES 16 SECONDS WEST FOR 37.81 FEET; RUN THENCE SOUTH 27 DEGREES 04 MINUTES 08 SECONDS WEST FOR 21.76 FEET; RUN THENCE SOUTH 09 DEGREES 16 MINUTES 16 SECONDS WEST FOR 66.97 FEET; RUN THENCE SOUTH 00 DEGREES 25 MINUTES 09 SECONDS EAST FOR 155.49 FEET; RUN THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 67.77 FEET; RUN THENCE NORTH 53 DEGREES 58 MINUTES 58 SECONDS WEST FOR 143.72 FEET; RUN THENCE SOUTH 36 DEGREES 01 MINUTES 02 SECONDS WEST FOR 34.24 FEET; RUN THENCE NORTH 53 DEGREES 58 MINUTES 58 SECONDS WEST FOR 145.66 FEET; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 430 FEET FOR AN ARC DISTANCE OF 158.04 FEET, A CHORD OF NORTH 43 DEGREES 27 MINUTES 12 SECONDS WEST FOR 157.16 FEET; RUN THENCE NORTH 32 DEGREES 55 MINUTES 27 SECONDS WEST FOR 21.07 FEET; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 20 FEET FOR AN ARC DISTANCE OF 33.41 FEET, A CHORD OF NORTH 80 DEGREES 46 MINUTES 27 SECONDS WEST FOR 29.66 FEET; RUN THENCE IN A SOUTHWESTERLY DIRECTION ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 50 FEET FOR AN ARC DISTANCE OF 42.94 FEET, A CHORD OF SOUTH 75 DEGREES 58 MINUTES 49 SECONDS WEST FOR 41.63 FEET; RUN THENCE SOUTH 10 DEGREES 35 MINUTES 05 SECONDS WEST FOR 153.97

FEET; RUN THENCE NORTH 81 DEGREES 42 MINUTES 08 SECONDS WEST FOR 89.14 FEET; RUN THENCE NORTH 64 DEGREES 06 MINUTES 26 SECONDS WEST FOR 47.27 FEET; RUN THENCE NORTH 26 DEGREES 40 MINUTES 35 SECONDS WEST FOR 202.25 FEET; RUN THENCE NORTH 10 DEGREES 11 MINUTES 15 SECONDS EAST FOR 88.13 FEET; RUN THENCE NORTH 26 DEGREES 50 MINUTES 28 SECONDS WEST FOR 70.03 FEET; RUN THENCE NORTH 80 DEGREES 26 MINUTES 30 SECONDS EAST FOR 78.51 FEET; RUN THENCE THENCE IN A NORTHWESTERLY DIRECTION ALONG CURVE TO THE RIGHT HAVING A RADIUS OF 50 FEET FOR AN ARC DISTANCE OF 104.18 FEET, A CHORD OF NORTH 39 DEGREES 52 MINUTES 02 SECONDS WEST FOR 86.33 FEET; RUN THENCE NORTH 70 DEGREES 10 MINUTES 35 SECONDS WEST FOR 78.17 FEET; RUN THENCE NORTH 19 DEGREES 41 MINUTES 11 SECONDS WEST FOR 139 FEET, MORE OR LESS, TO THE SOUTH MARGIN OF EAST BEAR CREEK; RUN THENCE IN A SOUTHEASTWARDLY DIRECTION ALONG THE MEANDERS OF THE SOUTH MARGIN OF SAID EAST BEAR CREEK TO A POINT THAT IS NORTH 39 DEGREES 59 MINUTES 07 SECONDS WEST AND 37 FEET, MORE OR LESS, FROM THE POINT OF BEGINNING; RUN THENCE SOUTH 39 DEGREES 59 MINUTES 07 SECONDS EAST FOR 37 FEET, MORE OR LESS, TO THE SOUTHERNMOST CORNER OF THE WESTERN LINE OF LOT 14 OF SAID EAST BEAR CREEK ESTATES (AMENDED) AND THE POINT OF BEGINNING. SAID LAND BEING IN SECTION 7, TOWNSHIP 9 SOUTH, RANGE 4 EAST, BALDWIN COUNTY, ALABAMA.

TOGETHER WITH:

PARCEL B:

COMMENCE AT POINT "A" AS SHOWN ON MAP OF EAST BEAR CREEK ESTATES (AMENDED) AND RECORDED ON SLIDE 1557-B, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; RUN THENCE SOUTH 48 DEGREES 10 MINUTES 29 SECONDS WEST FOR 11.07 FEET; RUN THENCE SOUTH 02 DEGREES 23 MINUTES 21 SECONDS WEST FOR 14.99 FEET; RUN THENCE SOUTH 27 DEGREES 04 MINUTES 08 SECONDS WEST FOR 35.67 FEET; RUN THENCE SOUTH 09 DEGREES 16 MINUTES 16 SECONDS WEST FOR 66.97 FEET; RUN THENCE SOUTH 00 DEGREES 25 MINUTES 09 SECONDS EAST FOR 155.49 FEET; RUN THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 67.77 FEET TO THE POINT OF BEGINNING; CONTINUE THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 101.97 FEET; RUN THENCE SOUTH 10 DEGREES 05 MINUTES 14 SECONDS EAST FOR 204.03 FEET; RUN THENCE SOUTH 22 DEGREES 49 MINUTES 41 SECONDS WEST FOR 123.87 FEET; RUN THENCE SOUTH 15 DEGREES 54 MINUTES 56 SECONDS WEST FOR 157.45 FEET; RUN THENCE SOUTH 05 DEGREES 28 MINUTES 56 SECONDS WEST FOR 123.04 FEET; RUN THENCE NORTH 78 DEGREES 52 MINUTES 10 SECONDS WEST FOR 255.68 FEET; RUN THENCE NORTH 10 DEGREES 54 MINUTES 36 SECONDS WEST FOR 106.46 FEET; RUN THENCE NORTH 06 DEGREES 46 MINUTES 10 SECONDS EAST FOR 58.31 FEET; RUN THENCE NORTH 37 DEGREES 28 MINUTES 03 SECONDS WEST FOR 161.76 FEET; RUN THENCE NORTH 29

DEGREES 03 MINUTES 35 SECONDS EAST FOR 215.55 FEET; RUN THENCE NORTH 17 DEGREES 05 MINUTES 34 SECONDS EAST FOR 239.62 FEET; RUN THENCE NORTH 81 DEGREES 42 MINUTES 08 SECONDS WEST FOR 146.42 FEET; RUN THENCE NORTH 10 DEGREES 35 MINUTES 05 SECONDS EAST FOR 153.97 FEET; RUN THENCE IN A NORTHEASTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.0 FEET FOR AN ARC DISTANCE OF 42.94 FEET, A CHORD OF NORTH 75 DEGREES 58 MINUTES 49 SECONDS EAST FOR 41.63 FEET; RUN THENCE IN A SOUTHEASTERLY DIRECTION ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 20.0 FEET FOR AN ARC DISTANCE OF 33.41 FEET, A CHORD OF SOUTH 80 DEGREES 46 MINUTES 27 SECONDS EAST FOR 29.66 FEET; RUN THENCE SOUTH 32 DEGREES 55 MINUTES 27 SECONDS EAST FOR 21.07 FEET; RUN THENCE IN A SOUTHEASTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 430.0 FEET FOR AN ARC DISTANCE OF 158.04 FEET, A CHORD OF SOUTH 43 DEGREES 27 MINUTES 12 SECONDS EAST FOR 157.16 FEET; RUN THENCE SOUTH 53 DEGREES 58 MINUTES 58 SECONDS EAST FOR 145.66 FEET; RUN THENCE NORTH 36 DEGREES 01 MINUTES 02 SECONDS EAST FOR 34.24 FEET; RUN THENCE SOUTH 53 DEGREES 58 MINUTES 58 SECONDS EAST FOR 143.72 FEET TO THE POINT OF BEGINNING. SAID LAND BEING IN SECTION 7, TOWNSHIP 9 SOUTH, RANGE 4 EAST, BALDWIN COUNTY, ALABAMA.

TOGETHER WITH:

PARCEL C:

COMMENCE AT POINT "A" AS SHOWN ON MAP OF EAST BEAR CREEK ESTATES (AMENDED) AND RECORDED ON SLIDE 1557-B, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; RUN THENCE SOUTH 48 DEGREES 10 MINUTES 29 SECONDS WEST FOR 11.07 FEET; RUN THENCE SOUTH 02 DEGREES 23 MINUTES 21 SECONDS WEST FOR 14.99 FEET; RUN THENCE SOUTH 27 DEGREES 04 MINUTES 08 SECONDS WEST FOR 35.67 FEET; RUN THENCE SOUTH 09 DEGREES 16 MINUTES 16 SECONDS WEST FOR 66.97 FEET; RUN THENCE SOUTH 00 DEGREES 25 MINUTES 09 SECONDS EAST FOR 155.49 FEET; RUN THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 67.77 FEET; CONTINUE THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 101.97 FEET; RUN THENCE SOUTH 10 DEGREES 05 MINUTES 14 SECONDS EAST FOR 204.03 FEET; RUN THENCE SOUTH 22 DEGREES 49 MINUTES 41 SECONDS WEST FOR 123.87 FEET; RUN THENCE SOUTH 15 DEGREES 54 MINUTES 56 SECONDS WEST FOR 157.45 FEET; RUN THENCE SOUTH 05 DEGREES 28 MINUTES 56 SECONDS WEST FOR 123.04 FEET; RUN THENCE NORTH 78 DEGREES 52 MINUTES 10 SECONDS WEST FOR 255.68 FEET; RUN THENCE NORTH 10 DEGREES 54 MINUTES 36 SECONDS WEST FOR 106.46 FEET; RUN THENCE NORTH 06 DEGREES 46 MINUTES 10 SECONDS EAST FOR 58.31 FEET; RUN THENCE NORTH 37 DEGREES 28 MINUTES 03 SECONDS WEST FOR 161.76 FEET; RUN THENCE NORTH 29 DEGREES 03 MINUTES 35 SECONDS EAST FOR 215.55 FEET; RUN THENCE NORTH 17 DEGREES 05 MINUTES 34 SECONDS EAST FOR 239.62 FEET; RUN THENCE NORTH 81 DEGREES 42 MINUTES 08 SECONDS WEST FOR 235.56 FEET; RUN THENCE NORTH 64 DEGREES 06 MINUTES 26 SECONDS WEST FOR 47.27 FEET TO THE POINT OF BEGINNING; RUN THENCE NORTH 26 DEGREES 40 MINUTES 35 SECONDS WEST FOR 202.25 FEET; RUN THENCE NORTH 10 DEGREES 11 MINUTES 15 SECONDS EAST FOR 88.13 FEET; RUN THENCE NORTH 26 DEGREES 50 MINUTES 28 SECONDS WEST FOR 70.03 FEET; RUN THENCE NORTH 80 DEGREES 26 MINUTES 30 SECONDS EAST FOR 78.51 FEET; RUN THENCE IN A

NORTHWESTERLY DIRECTION ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 50.0 FEET FOR AN ARC DISTANCE OF 104.18 FEET, A CHORD OF NORTH 39 DEGREES 52 MINUTES 02 WEST FOR 86.33 FEET; RUN THENCE NORTH 70 DEGREES 10 MINUTES 35 SECONDS WEST FOR 78.17 FEET; RUN THENCE NORTH 19 DEGREES 41 MINUTES 11 SECONDS WEST FOR 139 FEET, MORE OR LESS, TO THE SOUTH MARGIN OF EAST BEAR CREEK BEING POINT "B"; COMMENCE AGAIN AT THE POINT OF BEGINNING RUN THENCE NORTH 64 DEGREES 06 MINUTES 26 SECONDS WEST FOR 264.27 FEET; RUN THENCE NORTH 40 DEGREES 15 MINUTES 01 SECONDS WEST FOR 203.69 FEET; RUN THENCE NORTH 29 DEGREES 24 MINUTES 16 SECONDS WEST FOR 141.42 FEET; RUN THENCE NORTH 35 DEGREES 02 MINUTES 18 SECONDS WEST FOR 312.86 FEET; RUN THENCE NORTH 00 DEGREES 03 MINUTES 01 SECONDS EAST FOR 203 FEET, MORE OR LESS, TO THE SOUTH MARGIN OF EAST BEAR CREEK; RUN THENCE IN A SOUTHEASTERLY DIRECTION ALONG THE MEANDERS OF THE SOUTH MARGIN OF SAID EAST BEAR CREEK TO POINT "B". SAID LAND BEING IN SECTION 7, TOWNSHIP 9 SOUTH, RANGE 4 EAST, BALDWIN COUNTY, ALABAMA. SAID LAND BEING IN SECTION 7, TOWNSHIP 9 SOUTH, RANGE 4 EAST, BALDWIN COUNTY, ALABAMA.

EXHIBIT "B"

COMMENCE AT THE SOUTHERNMOST CORNER OF THE WESTERN LINE OF LOT 14 OF EAST BEAR CREEK ESTATES (AMENDED) AS RECORDED ON SLIDE 1157-B, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA FOR THE POINT OF BEGINNING; RUN THENCE NORTH 75 DEGREES 50 MINUTES 22 SECONDS EAST ALONG THE SOUTH BOUNDARY OF SAID LOT 14 FOR 165.55 FEET; RUN THENCE NORTH 25 DEGREES 58 MINUTES 13 SECONDS EAST FOR 72.11 FEET TO A POINT ON A CUL-DE-SAC ON BEAR CREEK COVE; RUN THENCE IN A SOUTHEASTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50 FEET FOR AN ARC DISTANCE OF 66.04 FEET, A CHORD OF SOUTH 62 DEGREES 56 MINUTES 40 SECONDS EAST FOR 61.34 FEET; THENCE SOUTH 01 DEGREES 30 MINUTES 48 SECONDS EAST FOR 162 FEET, MORE OR LESS, TO THE NORTH MARGIN OF A CANAL; RUN THENCE IN A WESTERLY DIRECTION ALONG THE NORTH MARGIN OF SAID CANAL TO A POINT THAT IS SOUTH 57 DEGREES 26 MINUTES 28 SECONDS WEST AND 190.95 FEET FROM THE POINT OF BEGINNING; RUN THENCE IN A SOUTHWESTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 59.55 FEET FOR AN ARC DISTANCE OF 24.06 FEET, A CHORD OF SOUTH 71 DEGREES 35 MINUTES 20 SECONDS WEST FOR 23.89 FEET; RUN THENCE SOUTH 62 DEGREES 25 MINUTES 16 SECONDS WEST FOR 37.81 FEET; RUN THENCE SOUTH 27 DEGREES 04 MINUTES 08 SECONDS WEST FOR 21.76 FEET; RUN THENCE SOUTH 09 DEGREES 16 MINUTES 16 SECONDS WEST FOR 66.97 FEET; RUN THENCE SOUTH 00 DEGREES 25 MINUTES 09 SECONDS EAST FOR 155.49 FEET; RUN THENCE SOUTH 44 DEGREES 29 MINUTES 54 SECONDS WEST FOR 67.77 FEET; RUN THENCE NORTH

53 DEGREES 58 MINUTES 58 SECONDS WEST FOR 143.72 FEET;
RUN THENCE SOUTH 36 DEGREES 01 MINUTES 02 SECONDS WEST
FOR 34.24 FEET; RUN THENCE NORTH 53 DEGREES 58 MINUTES 58
SECONDS WEST FOR 145.66 FEET; RUN THENCE IN A
NORTHWESTERLY DIRECTION ALONG A CURVE TO THE RIGHT HAVING
A RADIUS OF 430 FEET FOR AN ARC DISTANCE OF 158.04 FEET,
A CHORD OF NORTH 43 DEGREES 27 MINUTES 12 SECONDS WEST
FOR 157.16 FEET; RUN THENCE NORTH 32 DEGREES 55 MINUTES
27 SECONDS WEST FOR 21.07 FEET; RUN THENCE IN A
NORTHWESTERLY DIRECTION ALONG A CURVE TO THE LEFT HAVING
A RADIUS OF 20 FEET FOR AN ARC DISTANCE OF 33.41 FEET, A
CHORD OF NORTH 80 DEGREES 46 MINUTES 27 SECONDS WEST FOR
29.66 FEET; RUN THENCE IN A SOUTHWESTERLY DIRECTION ALONG
A CURVE TO THE RIGHT HAVING A RADIUS OF 50 FEET FOR AN
ARC DISTANCE OF 42.94 FEET, A CHORD OF SOUTH 75 DEGREES
58 MINUTES 49 SECONDS WEST FOR 41.63 FEET; RUN THENCE
SOUTH 10 DEGREES 35 MINUTES 05 SECONDS WEST FOR 153.97
FEET; RUN THENCE NORTH 81 DEGREES 42 MINUTES 08 SECONDS
WEST FOR 89.14 FEET; RUN THENCE NORTH 64 DEGREES 06
MINUTES 26 SECONDS WEST FOR 47.27 FEET; RUN THENCE NORTH
26 DEGREES 40 MINUTES 35 SECONDS WEST FOR 202.25 FEET;
RUN THENCE NORTH 10 DEGREES 11 MINUTES 15 SECONDS EAST
FOR 88.13 FEET; RUN THENCE NORTH 26 DEGREES 50 MINUTES 28
SECONDS WEST FOR 70.03 FEET; RUN THENCE NORTH 80 DEGREES
26 MINUTES 30 SECONDS EAST FOR 78.51 FEET; RUN THENCE
THENCE IN A NORTHWESTERLY DIRECTION ALONG CURVE TO THE
RIGHT HAVING A RADIUS OF 50 FEET FOR AN ARC DISTANCE OF
104.18 FEET, A CHORD OF NORTH 39 DEGREES 52 MINUTES 02
SECONDS WEST FOR 86.33 FEET; RUN THENCE NORTH 70 DEGREES
10 MINUTES 35 SECONDS WEST FOR 78.17 FEET; RUN THENCE
NORTH 19 DEGREES 41 MINUTES 11 SECONDS WEST FOR 139 FEET,
MORE OR LESS, TO THE SOUTH MARGIN OF EAST BEAR CREEK; RUN
THENCE IN A SOUTHEASTWARDLY DIRECTION ALONG THE MEANDERS
OF THE SOUTH MARGIN OF SAID EAST BEAR CREEK TO A POINT
THAT IS NORTH 39 DEGREES 59 MINUTES 07 SECONDS WEST AND
37 FEET, MORE OR LESS, FROM THE POINT OF BEGINNING; RUN
THENCE SOUTH 39 DEGREES 59 MINUTES 07 SECONDS EAST FOR 37
FEET, MORE OR LESS, TO THE SOUTHERNMOST CORNER OF THE
WESTERN LINE OF LOT 14 OF SAID EAST BEAR CREEK ESTATES
(AMENDED) AND THE POINT OF BEGINNING. SAID LAND BEING IN SECTION
7, TOWNSHIP 9 SOUTH, RANGE 4 EAST, BALDWIN COUNTY, ALABAMA.