

Recorded: 7/20/2016 12:25:21 PM
W. Hardy McCollum, Probate Judge
Tuscaloosa County, Alabama
Term/Cashier: PRO-RECORDING2/RENEEA
Tran: 928629
Probate Judge Fee \$2.00
Recording Fee - By Page Count \$180.00
Source of Title \$1.00
No Tax Collected
Total: \$183.00

This Instrument Prepared By:
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SOURCE OF TITLE:
Deed Book 2015, Page 13146

DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS FOR HIGHGROVE, A SUBDIVISION

Highgrove, Inc., an Alabama corporation (hereinafter referred to as “Developer”) makes this Declaration of Easements, Covenants and Restrictions for Highgrove, a subdivision (hereinafter “Declaration”), as of the 20 day of July, 2016.

STATEMENT OF PURPOSE

A. Developer is developing certain real property located in Tuscaloosa County, Alabama. The development is a traditional neighborhood development to be known as Highgrove (hereinafter “Development”). The property to be developed includes the property described in Plat Book 2016 Pages 62 through 66 in the Probate Office of Tuscaloosa County, Alabama (hereinafter “Plat”). The Development may also include part or all of the property described in Exhibit A attached hereto (hereinafter “Future Property”). The Future Property shall not be subject to this Declaration until such time as said property, or any part thereof, is purchased by Developer and made subject to this Declaration by supplemental filing in the Probate Office of Tuscaloosa County, Alabama.

B. This Declaration is intended to provide for the maintenance and operation of the Development.

C. The Development is subject to Master Deed Restrictions, recorded prior to this Declaration at Deed Book 2016 Page _____ in the Probate Office of Tuscaloosa County, Alabama. Among other things, the Master Deed Restrictions regulate the construction and modification of buildings and other improvements within the Development.

D. The Developer records this Declaration to establish an owner’s association, to enhance community life, to institute and enforce certain covenants and restrictions, to provide for further maintenance of the community, and to allow for self-governing of the Development by its owners.

DECLARATION

The Developer is the owner of all of the property described in the Plat. Developer hereby declares that the Property described in the Plat shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to the following easements, covenants, conditions, restrictions, charges, liens and regulations, which shall run with the land and which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Development (including any right to utilize the Common Areas), and their respective heirs, executors, administrators, personal representatives, successors and assigns.

ARTICLE I Definitions

1.1 Assessments. "Assessments" is the collective term for the following Association charges:

(i) General Assessment. The "General Assessment" is the amount allocated among all Members to meet the Association's annual budgeted expenses.

(ii) Individual Parcel Assessment. An "Individual Parcel Assessment" is a charge made to a particular Parcel Owner for charges relating only to that Parcel.

(iii) Special Assessment. A "Special Assessment" may be charged to each Parcel for capital improvements or emergency expenses.

(iv) Transfer Fee Assessment. "Transfer Fee Assessment" may be imposed on transfers of Parcels.

(v) Common Maintenance Zone Assessment. A "Common Maintenance Zone Assessment" is a charge made to the particular Owners of Parcels located in a Zone for maintenance charges related only to that Zone.

1.2 Association. "Association" means Highgrove Owner's Association, Inc., an Alabama nonprofit corporation, its successors and assigns. The Association is responsible for maintaining the Development and enforcing the Declaration.

1.3 Board. "Board" is the Board of Directors of the Association.

1.4 Builder. A "Builder" includes all builders permitted to construct residential or commercial Buildings, as hereinafter defined, within Highgrove.

1.5 Building. "Building" is any residential, mixed-use or commercial building constructed on any Parcel. If permitted by the Highgrove Design Guidelines, a Building may be attached to another Building and share party walls. The Highgrove Design

Guidelines may permit the construction of two or more Buildings or two or more residential units on a Lot.

1.6 Bylaws. “Bylaws” are the Bylaws of the Association. The form of the initial Bylaws is attached as Exhibit “C” to this Declaration.

1.7 Certificate. “Certificate” means the Certificate of Formation for Highgrove Owners’ Association, Inc., a copy of which is attached as Exhibit B.

1.8 Commons or Common Areas. “Commons” or “Common Areas” is the real property which is specifically conveyed to the Association for the common use and enjoyment of all Owners, as designated on the Plat and Plan. “Commons” or “Common Areas” also include any improvements on that real property, all utilities, utility easements and other easement rights or personal property for the Owners’ common use, and any other property of any type specifically designated as Commons. The Commons or Common Area may include areas dedicated to the public, to the extent that the Association agrees to maintain or is required by this Declaration to maintain such property. The Commons or Common Area may be reconfigured, increased or decreased from time to time by the Developer or the Association, subject to any required governmental approvals. The Association shall not be dissolved, nor shall it dispose of any Commons/Common Area, by sale or otherwise, except to an organization conceived and established to own and maintain the Commons/Common Area, and the conditions of a transfer shall conform to the approved site plan.

1.9 Common Maintenance Parcels. The term “Common Maintenance Parcels” includes all of the following Parcels within the Development:

(a) Terrace Home Parcels. All Terrace Home Parcels, unless (i) they are subject to other recorded covenants and restrictions, approved by the Developer, requiring their maintenance by a separate owners’ association or other management entity, or (ii) they have independent roof structures and the owner or owners of the Terrace Homes, with the consent of the Developer, records a statement that the Terrace Homes shall not be considered Common Maintenance Parcels.

(b) Other Parcels. Other common maintenance Parcels may be designated by the Developer or the Association at a later time and such designation need not be recorded to be enforceable.

1.10 Common Maintenance Zone. A Common Maintenance Zone comprises Common Maintenance Parcels that are similar in type of construction and services to be provided. Terrace Home Blocks will constitute a Common Maintenance Zone. The Developer or the Board of Directors may form a Common Maintenance Zone for any other Lot Category, should they choose to do so. After the end of the Developer Control Period, Owner of Parcels of any Lot Category may form a Common Maintenance Zone for such Lot Category if a majority of the Owners in such Lot Category vote to do so after a properly called meeting. The Lots need not be contiguous to qualify for a

Common Maintenance Zone.

1.11 Common Roads. “Common Roads” are the streets and lanes located within the Development that are intended for automobile traffic. Most of the Common Roads are intended to be dedicated to the public. Any Common Roads not dedicated to the public shall be part of the Commons.

1.12 Declaration. “Declaration” is this Declaration of Easements, Covenants and Restrictions for Highgrove, as amended, supplemented, extended, restated or modified from time to time.

1.13 Design Guidelines. The “Design Guidelines” means The Highgrove Design Guidelines. The Design Guidelines establish the plan for the development of Highgrove through the regulation of land use, architecture and environment. The Design Guidelines were originally adopted by the Developer as provided in the Master Deed Restrictions but may be amended from time to time. The current Design Guidelines shall be available from The Highgrove Architectural Review Committee.

1.14 Architectural Review Committee. The “Architectural Review Committee” is the panel established to administer the Design Guidelines.

1.15 Developer. The term “Developer” refers to Highgrove, Inc.

1.16 Development. “Development” includes all of the Development Property.

1.17 Developer Control Period. The Developer Control Period begins immediately upon recording of the Master Deed Restrictions to be filed by the Developer. This period shall continue so long as the Developer owns any lot in the Development or any portion of the Future Property, regardless of whether any part of the Future Property owned by the Developer has been platted or made subject to these Master Deed Restrictions or the Declaration. During the Developer Control Period, the Developer shall be exclusively entitled to take various actions and vote on all matters to be voted on by the Members of the Association and shall have the exclusive right to vote on matters before the Association, unless the Developer has informed the Association in writing that it has relinquished that right.

1.18 Development Property. The Development Property includes the property depicted in the Plat and any property that may be added by supplemental plats and a Supplemental Declaration.

1.19 Lot. A “Lot” is a parcel of land intended for a single building, or a building and an outbuilding. Lots are designated as numbered or lettered, separately identifiable parcels on the recorded subdivision plat (or plats) of Highgrove.

1.20 Master Deed Restrictions. The Developer has recorded an instrument immediately prior to this Declaration known as the Master Deed Restrictions, which (i)

apply to all deeds of any part of the Development Property within Highgrove, (ii) are intended to ensure the proper application of Highgrove Design Guidelines during the development stage and (iii) which impose other restrictions designed to further the development of the community.

1.21 Member. Each Owner is a “Member” of the Association, as provided in Article VI of this Declaration.

1.22 Mortgagee. A “Mortgagee” is any institutional lender that holds a bona fide first mortgage or a purchase money junior mortgage encumbering a Parcel as security for the performance of an obligation. The term “institutional lender” specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and the Federal National Mortgage Association or similar agency.

1.23 Owner. “Owner” is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel. Owners shall not include those having such interest merely as security for the performance of an obligation nor does it include any lessees.

1.24 Parcel. A “Parcel” is the smallest piece of real property that may be separately conveyed. A Parcel may be a Lot (whether or not improved by a Building), a Special Use Parcel, Terrace Homes, or, if applicable, condominium units. Ordinarily, Parcels are designated as numbered separately identifiable Lots on the recorded Plat. Once improved, the Parcel includes any Buildings or other permanent improvements.

1.25 Plat. The “Plat” means the recorded plat of Highgrove, which plat is recorded at Plat Book 2016, at Pages 62 through 66 in the Probate Office of Tuscaloosa County, Alabama, and by this reference made a part hereof. “Plat” also includes any amendment to the recorded plat. Additional plats may be filed pursuant to the Master Deed Restrictions.

1.26 Supplemental Declaration. “Supplemental Declaration” is any subsequent declaration that may be recorded by the Developer or the Association.

1.27 Terrace Homes. Terrace Homes are attached home units that are intended to be conveyed to separate owners and which have not been declared into a condominium form of ownership under a horizontal property regime.

1.28 Terrace Home Block. A Terrace Home Block is a group of Terrace Homes that share a common roof structure.

ARTICLE II Property Comprising the Development

2.1 Property Subject to this Declaration. The Development Property is subject to this Declaration.

2.2 Withdrawal of Property. Property may be removed from the Master Deed Restrictions or this Declaration with the consent of the Developer and the owner(s) of all property within the property to be withdrawn upon any necessary governmental approvals.

2.3 Lot Categories. The Development features numerous Lot Categories to provide for a diverse living arrangements and amenities. The different Lot Categories will include the following:

Category	Description
Estate	Lots of three fourths of an acre and larger
Manor	Lots of approximately one-half acre
Villa	Lots ranging from one-fourth to one-third of an acre
Mews	Lots with shared larger gardens
Parkside	Smaller lots between parks and rear lanes
Cottage	Garden homes
Terrace	Town homes
Highgrove Village	Lots used for retail and other acceptable commercial purposes.

Owners of property within the differing Lot Categories may be assessed for maintenance of property primarily serving those Lot Categories. Developer may choose in its discretion not to develop Highgrove Village Lots, unless such development is required by any governmental authority.

ARTICLE III Easements

3.1 Easements in Favor of the Association. The Developer hereby grants to and reserves for the Developer, the Association, and their assigns the following easements, which shall benefit the Development:

(a) Utility Easements. A blanket easement upon, across, over, through, and under the Development for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable or communication lines and other equipment. By virtue of this easement, the Association and its successors or assigns may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Lot.

(b) Police Powers. A blanket easement throughout the Development for private patrol services, and for police powers and services supplied by the local, state

and federal governments. The reservation of such easement does not imply or require that any such service shall be provided.

(c) Drainage. Erosion Controls. A blanket easement and right without a duty on, over, under and through the ground within the Development to inspect, maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The Association shall have the right, but not the duty, to notify affected Owners (except in an emergency) and shall have the right but not the duty to restore the affected property to its original condition as nearly as practicable. Notwithstanding the foregoing, neither the Developer nor the Association shall have the responsibility to ensure that drainage or grading of Lots is properly accomplished and it shall be the sole responsibility of the Owner to ensure that grading and drainage are in compliance with all applicable laws, codes, regulations and other requirements, including without limitation any easements for drainage.

(d) Encroachment. An easement for any improvements constructed on the Commons that encroach on any Lot, whether due to any minor deviation from the Plat or the settling or shifting of any land or improvements.

(e) Maintenance of Commons. To the extent reasonably necessary, an easement over any Lot for maintenance of the Commons.

3.2 Relationship between Lots.

(a) Intent. The design for Highgrove is intended to maximize land usage and sense of community by providing parks, green spaces and other amenities within the discretion of the Developer, while offering private yards for individual use. As provided by the Design Guidelines, certain buildings within the Development may be detached but placed on or near the property line. The easements in this Section 3.2 are intended to provide guidelines for reasonable cooperation between neighbors. The Association may make rules for maintenance and use of easement areas and shared improvements that shall be applied uniformly to all Lots similarly configured.

(b) Lot Lines. Lots may not be subdivided or separated into smaller Lots, or any portion of a Lot separately conveyed, except by the Developer or with the specific consent of the Architectural Review Committee, along with any applicable required governmental approval. However, this shall not prohibit corrective deeds or similar corrective instruments. The Developer may redefine Lots prior to sale by dividing or combining Lots or portions of Lots and adjusting the boundary of a Lot. The Developer shall also have the right to modify subdivision plats of the Development to make adjustments to Lot boundary lines with consent only of those Owners whose Lot boundaries are to be changed. The division or combination of Lots may be subject to zoning or other governmental regulation, which may require, among other things, that the number of residential units not be reduced or increased if Lots are combined or divided.

(c) Structural Party Walls. In any Terrace Homes, each Owner grants to the Owner of each adjacent Parcel the right and an easement to maintain and to utilize any exterior or interior wall of a Building that forms a party wall between the adjacent Owner. Maintenance of the surface of the party wall shall be the sole responsibility of the Owner in whose Parcel the surface is located. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the party wall, the Owner damages the adjacent Owner's wall or Parcel. The cost of any other repairs to the party wall shall be shared equally by the adjacent Owners.

(c) Exterior Walls along a Lot Line. An exterior wall that supports the Building on only one Lot, or that encloses a courtyard on one Lot, shall not be considered a party wall. The Association may make rules and regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining owners for painting and repair and granting access over the adjoining Lot as reasonably necessary to maintain the wall. All such maintenance and repair shall be in accordance with the Design Guidelines.

(d) Yard Easements. To allow most efficient use of a Lot while complying with governmental setback requirements, a portion of a Lot along a Lot line may be subject to an easement for use by the adjoining Lot Owner. Such easements may be designated on the Plat, in the Design Guidelines or on the deed from the Developer to the first Owner other than the Developer.

(e) Terrace Home Block wall. If a Terrace Home Block wall or parapet is constructed along or very near the property line, the owner of the townhouse to be constructed on the adjacent property shall have the right to flash into the existing building, in accordance with industry standards and in order to make the new building watertight. This right shall include the right to make minor cuts on the existing building and to secure flashing or other materials to the existing building, so long as the structural integrity and water tightness of the existing building is not impaired. The cost for flashing shall be incurred by the owner of the new building, but the maintenance of this connection shall be a shared expense between adjacent property owners.

ARTICLE IV Commons

4.1 Title.

(a) Commons. The Association shall hold title to the Commons. For those portions of the Commons that consist of easements and other rights, the Association shall be the holder of those rights.

(a) Additional Commons. The Developer may convey by deed or lease to the Association additional Commons that the Association shall accept for maintenance. Without limiting the foregoing, the Association may provide maintenance

for Commons within the Highgrove Village area that provides a benefit, directly or indirectly, to the Association or the Owners, including without limitation any entrance to the Development, with or without contribution from the owners of the property within the High Grove Village.

4.2 Maintenance; Capital Improvements.

(a) Generally. The Association shall be responsible for the management, control and improvement of the Commons and shall keep the Commons and other approved property attractive, clean and in good repair. In addition, the Association shall maintain all undeveloped land in the Development.

(b) Capital Improvements. Subject to design review, the Association may make capital improvements to the Commons and may modify the uses of the Commons. For example, the Association may add new recreational facilities (which improvements must be approved in accordance with the architectural review provisions of the Master Deed Restrictions). Expenses for substantial capital improvements must be approved in accordance with Section 8.6.

4.3 Owners' Easements of Access and Enjoyment.

(a) Commons. The Developer hereby grants and conveys to every Owner a right and easement of appropriate use and enjoyment of the Commons, subject to the Association's right of regulation in accordance with this Declaration and the Developer's right to use the Commons as provided in Section 4.4 (c), and, subject also to any limitations contained in the conveyance of those Commons to the Association. These easements shall be appurtenant to and shall pass with title to every Parcel. Without limiting and notwithstanding the foregoing, these easements shall not apply to and the use of the Commons shall be restricted from any Owner who has not paid any required assessment and such restriction shall extend to any family member, guest or tenant of such Owner.

(b) Tenants. Guests. Any Owner may delegate, subject to his or her right to enjoyment of the Commons to the members of his/her family who reside on the Lot,, his/her tenants or his/her guests or who are accompanied by the Owner. Such delegation is subject to the provisions of this Declaration, the Bylaws and any Rules and Regulations passed by the Board. The Association may adopt rules to prohibit or restrict use of the Commons recreational facilities by a non-resident Owner whose residential unit has been leased to a tenant, except when the Owner is a bona fide guest of the tenant. In addition to any other restriction, the Association may limit the number of guests entitled to use of the Commons at any one time.

(c) Pool. The Developer or the Board after the end of the Developer Control Period shall have the right to create separate rules for the use of the Pool. These rules may be revised from time to time as needed to make the Pool as enjoyable as possible for the Owners. It shall be the responsibility of all Owners to comply with such rules. Pool

rules will be made available to all Owners by notice as required in the By-laws of the Association.

4.4 Use of Commons.

(a) Members' Benefit. The Association shall maintain the Commons for the benefit of its Members. The Association may permit limited use and access to all or a portion of the Commons that are not dedicated to the public, such as the pool and parks, and may sell club memberships or impose fees applicable to certain portions of the facilities in the Commons. Any such revenue shall benefit the Association.

(b) Non-Members. Use of all or any portion of the Commons may be extended to non-Members, with or without memberships or fees. The nature and extent of such use and the imposition of fees, memberships or charges, if any, shall be determined by the Developer or by the Board after the Developer Control Period. Any excess revenue received from such use shall benefit the Association.

(c) Open-Air Market and Festivals. The Developer reserves, for itself or its successors and assigns, the right to use portions of the Commons as an open-air market for the rental of space for pushcarts, kiosks, stands or similar temporary sales structures. Such uses may be for special events or on a recurring or daily basis. Developer also reserves, for itself and its successors and assigns, (i) the right to use portions of the Commons for festivals or other events intended to benefit the marketing and sale of remaining lots or existing homes and (ii) the right to use portions of the Commons for festivals or other events intended to enrich and enliven the community. Developer further reserves a right of access through the Commons for all such purposes. Developer may, but is not obligated to, assign such rights to the Association at any time.

(d) No Commercial Use. Except as specifically permitted by this Declaration, including without limitation the provisions of Section 4.4(c), there shall be no commercial use of the Commons, nor shall the Commons be subdivided or sold.

(e) Use. Commons that are open space may be used for resource protection purposes, passive or active recreational purposes, or for incidental utility uses. Open space areas shall not be occupied by non-recreational buildings, parking areas, streets, or street rights-of-way, nor shall they include the required minimum yards or lots of Building units.

4.5 Common Road Regulation. To the extent permitted by the City of Tuscaloosa, the Association may make rules and regulations concerning driving and parking within the Development, and may construct traffic calming devices as approved by the Town Architect, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. To the extent permitted by the City of Tuscaloosa, the Association may enforce any violation in accordance with Section 10.8 and may tow offenders.

4.6 Surface Water or Stormwater Management System. The Association shall have the right but not the duty to maintain proper drainage within the Development. In the exercise of this right, the Association shall have a blanket easement and right on, over, under and through the ground within the Development to maintain and to correct drainage of surface water. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements.

4.7 Damage or Destruction of Commons by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his or her family damages any of the Commons as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Parcel Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

4.8 Limitation of Liability. The Association shall use reasonable judgment in providing any security, maintaining the Commons and enforcing any traffic control measures, but neither the Association nor the Developer shall be liable for any loss or injury as a result of decisions of the Association and/or Developer concerning security, maintenance of the Commons or traffic control.

**ARTICLE V:
Community Planning and Administration of
The Design Guidelines**

5.1 Master Deed Restrictions. The Master Deed Restrictions establish the Design Guidelines as the guide for all construction within Highgrove. Further, the Master Deed Restrictions provide for appointment of a Town Architect to administer the Design Guidelines, and create the Architectural Review Committee. All construction or modification of any building or other improvements, any tree removal or landscaping or any material alteration of the topography of any Lot or Commons must be approved in advance by the Architectural Review Committee.

5.2 Binding Effect. The Master Deed Restrictions, which are recorded in the public records, are binding upon all of the property in the Development. Unless a notice is recorded specifically to the contrary, the submission of additional property to this Declaration shall automatically extend the provisions of the Master Deed Restrictions to the additional property.

5.3 Assignment to Association. The Master Deed Restrictions provide for the Developer's enforcement of Design Guidelines during the Developer Control Period. At the end of the Developer Control Period, the Developer shall assign to the Association its rights to enforce the Design Guidelines, as provided in the Master Deed Restrictions. Upon such assignment or if for any reason the Developer is unable or unwilling to

perform its powers under Articles III and IV of the Master Deed Restrictions, the provisions of Articles III and IV of the Master Deed Restrictions shall become part of this Declaration as if originally included. At that time, the Association shall have and assume the responsibility of appointing a Town Architect and Members of the Architectural Review Committee and enforcing all violations of Articles III and IV of the Master Deed Restrictions with all of its powers under the Master Deed Restrictions and this Declaration.

5.4 Community Guidelines. The Community Guidelines are an integral part of the Design Guidelines, whether or not recorded, and are fully enforceable by the Developer, and/or the Architectural Review Committee as provided in the Master Deed Restrictions and this Declaration.

ARTICLE VI: Owners' Association

6.1 Duties. The Association shall maintain, repair and replace the Commons and all undeveloped land in the Development, shall enforce the terms of this Declaration, and shall perform all other duties required by this Declaration or by Alabama law, by the City of Tuscaloosa and by any other government entities having jurisdiction.

6.2 Additional Powers. To the extent permitted by governmental authorities, the Association may, but is not obligated to, provide the following services or engage in the following activities:

- (a) water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable television or communication lines and other utility services; supply of irrigation water, garbage and trash collection and disposal; laundry equipment or services;
- (b) insect and pest control; improvement of vegetation and wildlife conditions; forestry management, pollution and erosion controls;
- (c) lighting of Common Roads that are not dedicated roads; restricted or guarded entrances, traffic and parking regulation and security patrols within the Development;
- (d) landscape maintenance; recreation, sports, craft and cultural programs; and newsletters or other information services;
- (e) maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Development, including all undeveloped areas, if its deterioration would affect the appearance of or access to the Development;
- (f) ownership, operation and maintenance of a community computer

network or intranet, including without limitation computer systems, software and contracted internet services, to be made available to Members and such other persons or entities as the Board may deem appropriate and subject to such agreements or restrictions as the Board may impose; and

(g) any other service allowed by law to be provided by a homeowners' association organized under Alabama law.

The Board may, by majority vote, initiate or terminate any of the above services, which shall take effect sixty (60) days after notice to the Members, except in an emergency, or if a different time is established by the members at the time of the vote. As determined by the Board depending upon the nature of the service, such additional services may be part of the common expenses of the Association, may be assessed as Individual Parcel Assessments to affected Parcels, or may be provided on a fee-for-service or other reasonable basis. If requested by petitions signed by at least ten percent (10%) of the Members, a Meeting may be called and, if a quorum is present, the Board's action to initiate or terminate an additional service under this Section 6.2 shall be repealed by majority vote of the Members. Upon such repeal, the Board may not reinstitute or terminate the service for three (3) years unless also approved by majority vote of the Members. Notwithstanding the foregoing, the Board's decision to allow non-Members to use Commons, including without limitation recreational facilities, shall not be subject to the foregoing repeal procedure.

6.3 Contracts. The Association may contract with any party, including the Developer, for the performance of all or any portion of the management of the Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessment, Special Assessment or Individual Parcel Assessment as applicable. The Association may require that certain Owners contract for certain routine yard maintenance, in order to provide a uniform level of care. The Association also may, but is not obligated to, act as agent for an Owner, if so requested by that Owner, to contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Lot Assessment. The terms and conditions of all such contracts shall be at the discretion of the Board.

6.4 Membership. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to any Parcel.

6.5 Allocation of Voting Interests. Subject to the rights reserved to Developer in the Certificate and Bylaws (which, among other things, provide that only Developer, during the Developer Control Period, shall be exclusively entitled to take various actions and vote on all matters to be voted on by the members of the Association), each Member shall have one vote.

6.6 Exercise of Vote. When more than one person holds an interest in any

Lot, all such persons shall be Members. However, the number of votes for that Lot shall not be increased, and the Members must determine among themselves how the Lot's vote may be exercised. Corporations, partnerships and other entities shall notify the Association of the natural person who shall exercise its vote. As permitted by law, the Association may institute voting by electronic or other means.

6.7 Election of Board of Directors.

(a) Procedure. Elections shall be conducted in accordance with the Bylaws and procedures established by then current Board.

(b) Initial Selection by Developer. The Developer shall appoint and remove the initial officers and members of the Board and may elect a majority of the Board until the earlier of (i) the time required by any Alabama state law or (ii) the termination of the Developer Control Period or (iii) the developer relinquishes this right by written instrument.

6.8 Limitations on Members with multiple votes. If, after the end of the Developer Control Period, any Owner, alone or with affiliates, controls at least twenty percent (20%) of the votes of the Association, that Owner shall have the right to select one member or twenty percent (20%) of the Board, whichever is greater, but shall not be permitted to vote on any other members of the Board. If such Owner controls at least one third (1/3) of the votes of the Association, that Owner shall select two (2) members or one third (1/3) of the Owner-selected members of the Board, whichever is greater, but shall not vote for any other members of the Board. In all membership votes other than election of Board members, such Owner shall be entitled to cast votes in the same manner as any other Owner.

6.9 Compensation for Directors. The Board shall set a reasonable compensation for directors, including any directors appointed by the Developer during the Developer Control Period. Such compensation shall be in accord with amounts generally paid in this area for such services. The directors shall be reimbursed for any expenses they incur.

6.10 Additional Provisions. Additional provisions concerning the operation of the Association and the Board are contained in the Certificate and Bylaws.

6.11 Rules and Regulations. The Board may establish and enforce reasonable Rules and Regulations governing the use of all Parcels and Common Areas. Without limiting the foregoing, the Board may adopt Rules and Regulations which shall govern the use of any of the Common Areas (including, specifically, the use of any of the recreational facilities, if any, situated within the Common Areas), the establishment of bird sanctuaries, wildlife and wildlife areas, the enforcement of all of the terms and provisions of this Declaration, and any Rules and Regulations adopted by the Board and such other matters, including, without limitation, the limitation, restriction or prohibition of application of fertilizers, pesticides, and other chemicals within the Development. Any

such Rules and Regulations shall be binding upon all Owners and occupants until and unless such Rule or Regulation is specifically overruled, canceled or modified by the Board or by the majority vote of the total votes of the Association at any regular or special meeting of the Association; provided, however, that no such rules or regulations may be overruled, canceled or modified unless such action is also approved by Developer for so long as Developer owns a Lot or Building subject to this Declaration.

ARTICLE VII: Decision Making

7.1 Development Meeting.

(a) When called. After the Developer Control Period, a Meeting shall be called annually for the election of Members of the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members. As a convenient reference and not as a limitation, actions requiring a vote of the Members, or assent in writing, include the following:

Repeal of Additional Services	Section 6.2
Election of the Board of Directors	Section 6.7
Approval of General Assessments	Section 8.4
Ratification of expenditures for capital improvements	Section 8.6
Approval of Lot Category Assessments	Section 8.7
Repeal of Rules and Regulations adopted by the Board	Section 10.7
Amendment of Declaration	Section 13.1
Dedication of the Commons	Section 13.2
Termination of the Declaration	Section 13.4

Before the termination of the Developer Control Period, the Developer shall appoint the Board and shall decide the above and all other matters related to the operation of the Association.

(a) Quorum. Voting at a Meeting requires presence of Members representing the percentage of votes necessary to transact business. The necessary percentage is determined by the Bylaws, and if permitted by the Bylaws and by statute, the Board may revise this percentage from time to time.

(b) Notice. Notice of the meeting must be given to Members in accordance with the By-Laws. Notice of meetings shall also be posted in at least one place within the Commons.

(c) Proxies; Electronic Voting. To the extent allowed by the Bylaws and statute, proxies and limited proxies may be used to establish a quorum and for voting purposes. To the extent allowed by law and in accordance with procedure that may be adopted in the Bylaws, a quorum may be evidenced, and votes may be cast, by electronic means.

7.2 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of directors) by a written vote conducted by mail, by written mailed ballot, by electronic ballot, or by written consent without a meeting. Notice may be waived in the event of an emergency. Voting or consents shall be in accordance with the Bylaws and statute. Wherever used in this Article, "electronic means" or "electronic ballot" shall specifically include e-mail and, upon approval of the Board, other similar means of communication that may be developed in the future.

7.3 Board Meetings.

(a) Board's Responsibility. Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the authority to act on behalf of the Association and to make all decisions necessary for the operation of the Association, the enforcement of this Declaration and the care of the Commons.

(b) Quorum. Voting at a Board meeting requires a quorum as defined in the By-Laws. If permitted by law and the By-Laws, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board. With the approval of all directors, meetings may be conducted by electronic means.

7.4 Record Keeping. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

7.5 Approval. Wherever used in this Declaration, approval by a majority or other proportion of the Members refers to a vote in accordance with this Article, either at a properly called Meeting or through a voting procedure established under Section 7.2. Where the Declaration specifies consent in writing, or request in writing, by a majority or other proportion of all Members, then the necessary number is based on the number of votes represented by the total Membership of the Association and signatures may be collected without a Meeting or other voting procedure.

7.6 Developer Excused from Procedures Set Forth Herein. During the Developer Control Period, the Developer shall not be required to adhere to the requirements of this Article VII so long as the Developer complies with the obligations of the Developer set forth herein and in the Master Deed Restrictions.

**ARTICLE VIII:
Association Budget**

8.1 Fiscal Year. The fiscal year of the Association shall begin January 1 of each year and end on December 31 of that year, unless the Board selects a different fiscal year.

8.2 Budget Items. The budget shall estimate total expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Association and for reserves. If the Commons are taxed separately from the Parcels, the Association shall include such taxes as part of the budget. Fees for professional management of the Association, accounting services, legal counsel and other professional services may also be included in the budget.

8.3 Reserves. The Association may build up and maintain reserves for working capital, contingencies and replacement, which shall be included in the budget and collected as part of the annual General Assessment. Extraordinary expenses not originally included in the annual budget that may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's Assessment, the Board may at any time levy an emergency Assessment in accordance with the provisions of Section 9.3 ("Special Assessment"). If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a pro rata basis to all Members who are current in payment of all Assessments due the Association, or may be used to reduce the following year's Assessments, at the Board's discretion.

8.4 Preparation and Approval of Annual Budget.

(a) Initial Budget. The Developer shall determine the budget for the fiscal year in which a Parcel is first conveyed to an Owner other than the Developer.

(b) Subsequent Years. Beginning with the year in which a Parcel is first conveyed to an Owner other than the Developer and each year thereafter, at least one (1) month before the end of the fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. At least two (2) weeks before the fiscal year to which the budget applies, the Board shall send to each Member a copy of the budget in reasonably itemized form, which shall include the amount of General Assessments payable by each Member.

8.5 Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual Association budget, each

Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

8.6 Capital Improvements. Any substantial capital improvement to the Commons approved by the Board must be ratified by a majority of the Members. If the substantial capital improvement is approved by the Members, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Association of the improvement is more than twenty percent (20%) of the Association's annual budget, or if all capital improvements for the fiscal year taken together total more than thirty percent (30%) of the Association's annual budget. However, any repair or replacement of existing improvements shall not be considered a capital improvement. Approval of the Architectural Review Committee is required for all capital improvements.

8.7 Lot Category Assessments.

(a) Capital Improvements. The Owners of any one Lot Category may, by two-thirds (2/3) vote of the Owner of Lots within such Lot Category and with approval of the Board, vote to assess themselves for capital improvements to Commons that will primarily benefit the Owners of such Lot Category.

(b) Additional Services. The Owners of Lots in any one Lot Category may, by majority vote of the Members owning such Lots and with approval of the Board, vote to assess themselves for maintenance or services in addition to those normally provided by the Association.

(c) Assessment Levy. Any Assessment so approved or created shall be assessed to all Owners within that Lot Category or designated group as an Individual Parcel Assessment.

8.8 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

**ARTICLE IX:
Covenants for Maintenance Assessments**

9.1 Obligation for Assessments. Each Owner of any Parcel, by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following Assessments:

- (a) General Assessments for expenses included in the budget;
- (b) Special Assessments for the purposes provided in this Declaration; and

(c) Individual Parcel Assessments for any charges particular to that Parcel;

together with a late fee and interest, as established by the Board from time to time, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought. Upon default in the payment of any one or more installments, the Board may accelerate the entire balance of such Assessment, which shall be declared due and payable in full.

9.2 General Assessments.

(a) Establishment by Board. The Board shall set the date or dates such Assessments become due and may provide for collection of Assessments annually or in monthly, quarterly or semiannual installments. During the Developer Control Period, no General Assessments shall be due on any lots owned by the Developer. Builders shall be required to pay the General Assessment at a fifty percent (50%) rate throughout the period that they own and Lot, which rate shall be paid through the date of closing. The new Owner shall pay a pro rata share of the General Assessment at the full rate for the rest of the year in which the Lot is purchased.

(b) Date of Commencement. The General Assessments shall begin on the day of conveyance of the first Parcel to an Owner other than the Developer. The initial Assessment on any Parcel subject to Assessment shall be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the pro rata share of the annual General or Special Assessment charged to each Parcel, prorated to the date of closing.

9.3 Special Assessment. In addition to the General Assessment, the Board may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four (4) succeeding years as follows:

(a) Capital Improvements. Any substantial capital improvement that has been approved in accordance with Section 8.6 ("Capital Improvements") or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

(b) Emergency Assessment. By a two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration or the law requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted).

9.4 Individual Parcel Assessments. Right to Cut Grass.

(a) The Association may levy at any time an Individual Parcel Assessment

against a particular Parcel for the purpose of defraying, in whole or in part, the cost of any special services to that Parcel, for Lot Category assessments levied in accordance with Section 8.7, or any other charges designated in this Declaration as an Individual Parcel Assessment.

(b) The Association, and the Developer during the Developer Control Period, shall have the right to cut the grass on any vacant Lot as necessary to maintain the appearance of the Development. Any Owner of such vacant lot shall be charged the cost of cutting the grass on his Lot as an Individual Parcel Assessment. For any lots on which Buildings have been constructed and on which the Owner fails to cut the grass, the Association, and the Developer during the Developer Control Period, may, after fifteen (15) days' notice to such Owner, cut the grass in the front yard as necessary to maintain the appearance of the Development. The Owner shall be charged the cost of cutting the grass on his Lot as an Individual Parcel Assessment.

9.5 Effect of Nonpayment of Assessment; Remedies

(a) Personal Obligation. All Assessments, together with any late fee, interest and costs of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charge"), shall be the personal obligation of the person or entity who was the Owner of the Parcel at the time the Assessment was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Parcel.

(b) Creation of Lien. The Assessment Charge shall also be charged on the land and shall be a continuing lien upon the Parcel against which the Assessment Charge is made, which may be enforced upon recording of a claim of lien. This lien, in favor of the Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Parcel shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed. The lien established by this Section 9.7(b) shall be subordinate to any first priority mortgage and to any purchase money second priority mortgage placed on any Parcel from time to time.

(c) Suit for Payment: Foreclosure of Lien. The Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The Association may foreclose on such lien by means of judicial or nonjudicial foreclosure under the laws of the State of Alabama without notice except as required by law, and may credit against its bid at any foreclosure sale any amounts due hereunder. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel.

(d) Other Remedies. The Association shall have the right to assess

finances and suspend the voting rights and right to use of the Commons by an Owner for any period during which any Assessment against his Parcel remains unpaid.

9.6 Certificate of Payment. The treasurer of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board stating whether any Assessments are paid to date by that Owner. Such certificate, when signed by the secretary of the Association or any agent of the Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any Assessment therein stated to have been paid.

9.7 Developer Excluded From Assessments. During the Developer Control Period, the Developer shall not be required to pay assessments for any parcels it may own provided, however, that the Developer shall guarantee that all Common Expenses shall be paid during the Developer Control Period regardless of whether there are sufficient funds held by the Association to pay for such expenses.

ARTICLE X: Use of Parcels

10.1 Permitted Uses.

(a) Determination. Permitted uses for Parcels, which may include residential use, including apartments, civic use or retail, office, restaurant or other commercial uses, shall be determined based on the Design Guidelines, any Supplemental Declaration and the plat, subject to the zoning requirements of the City of Tuscaloosa.

(b) Home-based Businesses. Unless prohibited by law, home-based businesses that do not generate significant noise, odor or traffic shall be permitted in residential areas as permitted by the Design Guidelines, any Supplemental Declaration or the Community Guidelines. Signage for home-based business shall be regulated by the Architectural Review Committee in accordance with the Design Guidelines.

10.2 Prohibited Uses.

(a) Nuisances. No nuisance or other use that creates an unreasonable disturbance shall be permitted on any Parcel. No Lot shall be used, in whole or in part for the storage of rubbish of any character whatsoever, nor shall any substance, thing, or material be kept upon any Lot that will emit foul or noxious odors or that will cause any noise that will or might disturb the peace and quiet of the Owners or occupants of surrounding Lots or property. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Commons without the consent of the Association. The Association may from time to time define and determine unacceptable uses.

(b) Insurance. Nothing shall be done or kept on any Parcel or the Commons that will increase the rate of, or result in cancellation of, insurance for the Commons or any other Parcel or its contents, without the prior written consent of the Association.

(c) Soliciting. The Association may regulate or prohibit soliciting within the Development.

(d) Time Sharing. No time-share ownership of Parcels is permitted without the Association's approval. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Parcel under which the exclusive right of use, possession or occupancy of the Parcel circulates among the various owners on a periodically reoccurring basis over a scheduled period of time. Leasing a building or ownership of a Parcel by a corporation, partnership or other entity or by not more than four (4) individuals or married couples will not normally be considered time-share ownership.

(e) Sound Devices. No exterior speaker, horn, whistle, bell or other sound device that is unreasonably loud or annoying, except security devices used exclusively for security purposes, shall be located, used, or placed upon Parcels unless approved by the Architectural Review Committee. The playing of loud music from any balconies or porches shall be offensive, obnoxious activity constituting a nuisance.

(f) Wells. No private wells may be drilled or maintained on any Lot without the prior written consent of the Architectural Review Committee.

(g) Laundry. Without the express permission of the Design Review Committee, no Owner, guest, or tenant, shall hang laundry from any area within or outside a residential unit if such laundry is within the public view, or hang laundry in full public view to dry, such as on balconies or terrace railings.

(h) Recreational Vehicles, Machinery and Equipment. Mobile homes, motor homes, trailers of any kind, campers, vans, motorcycles, bicycles, motorized carts, all-terrain vehicles, lawnmowers, tractors, tools, construction machinery and equipment of any kind or nature, golf carts, boats and any other type of watercraft including boat trailers, and any other similar types of vehicles, machinery or equipment shall not be permitted, stored or allowed to remain on any Lot or Parcel unless the same is placed, stored and maintained within a wholly-enclosed structure, with roofing and doors. Any such enclosed structure must be approved by the Architectural Review Committee. Neither the Common Areas nor the roadways within the Development may be used for the parking or storage of any of the foregoing vehicles, recreational vehicles, machinery or equipment. Further, motorized carts, golf carts or similar vehicles may only be operated in Highgrove by persons who are permitted and, where applicable, licensed to operate such vehicle under controlling laws and regulations.

(i) No garage shall be used for storage, at least to the extent that such

storage prevents ability to park at least two (2) automobiles in the garage.

10.3 Attractiveness and Safety of Parcels.

(a) Generally. Each Owner shall keep all parts of his or her Parcel in good order and repair and free from debris. The Architectural Review Committee and/or the Association may regulate placement and maintenance of garbage and trash containers and fuel or gas storage tanks (including the prohibition of such tanks), and other matters affecting the attractiveness or safety of Parcels. Trash, garbage and any other refuse or waste shall not be kept on any Lot or Parcel except in sanitary containers or garbage compactor units. Trash cans and containers shall at all times be screened from view from all public and private streets providing access to the Property unless placed at the curb on the day of pickup by the waste pickup service for the Development.

(b) Signage. No signs or advertising posters of any kind (other than one "for sale" or "for rent" sign in size and color approved by the Architectural Review Committee) shall be maintained or permitted within any windows or on the exterior of any Lot or Parcel or elsewhere on any portion of the Lot or Parcel without the express written permission of the Architectural Review Committee. Whether to approve any signs and posters, including without limitation, political campaign signs and name and address signs, shall be upon such conditions as may from time to time be determined by the Architectural Review Committee. One small security sign no larger than one square foot mounted on a stake no higher than thirty-six (36) inches and located adjacent to the front of the home in the foundation bed is allowed. Political signs not larger than four (4) square feet are allowed within thirty days prior to an election and must be removed within seven (7) days after the election.

(c) Garages, Parking and Vehicles. No garage may be converted to living space. Each Dwelling shall provide for parking for at least two (2) automobiles in garages. All garages shall be used for parking at least two (2) automobiles and may not be used for storage, at least to the extent that such storage prevents the ability to park at least two (2) automobiles in the garage. Except in Terrace Home Blocks, Cottage homes, Parkside and Mews homes, no garage doors shall open onto or front a street. Generally, for all homes with rear access from lanes, garage doors may open to such lane. Notwithstanding the foregoing, all Garage doors or openings in all Lot Categories shall be constructed in accordance with the Design Guidelines and are subject to review by the Architectural Review Committee. Garage doors shall be kept closed at all times except when in use. No garage shall be converted to any use other than for the parking of vehicles therein. All automobiles owned or used by the Owner or occupant of any dwelling and their respective family members shall be parked in garages to the extent garage space is available. Garages shall not be used for storage or for any other purposes or uses which would result in the garage being unavailable for the parking of vehicles therein. No parking shall be allowed on any lawn. Parking shall be permitted on streets in accordance with applicable city ordinances and the Design Guidelines.

(d) Sports Equipment. Play structures, such as basketball hoops and swing sets, must be kept in good repair and may be limited in accordance with the Design Guidelines. All such play structures shall be satisfactorily maintained in their appearance. Basketball goals and backboards should generally be located at the back of the driveway or in the most inconspicuous area. Basketball goal backboards should be clear plexiglas or acrylic, and both the poles and backboards should be satisfactorily maintained in their appearance. Large play structures such as skateboard ramps that are visible from outside the Parcel may be prohibited.

(e) Antennas. No television antenna, dish, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any residential unit or other structure on a Parcel or any Lot without prior written consent of the Architectural Review Committee under the Design Guidelines; nor shall radio, television signals, nor any other form of electromagnetic radiation be permitted to originate from any Parcel that may unreasonably interfere with the reception of television or radio signals upon any other of such properties. Notwithstanding the foregoing, the provisions of this section shall not prohibit the Developer or the Association from installing equipment necessary for a master antenna system, security system, cable television, mobile radio system or other similar systems nor prohibit the Architectural Review Committee from approving the installation of a satellite dish at an approved location on a Parcel so long as such installation is inconspicuous from any street or neighbor's home.

(f) Firearms. Discharge of firearms is prohibited; provided, the Board shall have no obligation to take action to prevent or stop such discharge.

(g) Notwithstanding the specificity of the foregoing, the Architectural Review Committee and/or the Association may adopt additional restrictions on the use, external appearance and attractiveness or safety of Parcels and Commons subject to this Declaration.

10.4 Leasing. Residential units, including without limitation separate residential units within a Parcel, such as an outbuilding apartment or Terrace Home, may be leased for terms of not less than six (6) months, subject only to applicable law and to reasonable rules and regulations as promulgated by the Association, or by the Developer during the Developer Control Period, which rules and regulations may be modified from time to time. Recognizing that the purposes of the Master Deed Restrictions and this Declaration may be frustrated by the presence of non-Owner occupied residential units, the Association and/or Developer expressly reserves the right, from time to time, to further regulate the term of leases, to require that an Owner occupy a residential unit for a set period or percentage of time, or establish other rules and regulations that encourage Owner occupancy of residential units. Such rules and regulations need not be applied to all classes of residential units, but may, in the discretion of the Association or Developer, be applied to only certain classes of residential units. The Association or Developer may prohibit the leasing of any residential unit while the Owner is in default in the payment of Assessments. If the residential unit is leased in violation of this Declaration or any other rule or prohibition, the Association or Developer may exercise all rights available under

the terms of Section 10.8 (c) herein.

10.5 Pets. Pets may be kept by an Owner on his Parcel but only if such pets do not cause an unsafe condition or unreasonable disturbance or annoyance within the Development. Each Owner shall be held strictly responsible to immediately collect and properly dispose of wastes and litter of his pets. The Association reserves the right to regulate the number, type and size of pets (specifically including particular breeds of dogs deemed to create unreasonable danger); to prohibit the keeping of animals other than customary household pets, which it may define, acting reasonably; to designate specific areas within the Commons where pets may be walked and to prohibit pets in other areas; to require pets to be on leash; and to restrict the rights of tenants to keep pets.

10.6 Temporary Structures; Camping. The Design Guidelines may prohibit or regulate construction trailers, tents, shacks, barns, sheds or other structures of a temporary character that are visible from outside the Parcel; provided, however, that reasonable, occasional use of tents for festive occasions or children's backyard camping is part of life and should be enjoyed. No other camping is permitted within the Development unless designated campgrounds are added to the property. In addition, the Association or Developer may permit the use of tents, trailers and other temporary buildings on the Commons or elsewhere within the Development during art festivals, craft fairs, block parties and other special events, subject to regulation according to the Design Guidelines, and may permit the reasonable use of Commons or other property within the Development for camping or other activities by groups similar to the Boy Scouts or Girl Scouts.

10.7 Rules and Regulations.

(a) Generally. The Association may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Parcels, Commons and any facilities or services made available to the Owners (the "Rules and Regulations"). This right shall include without limitation the right to approve rental agents, contractors and sub-contractors who do business within the Development.

(b) Effect. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least ten percent (10%) of the Members, an Association Meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members.

(c) Notice. A copy of the Rules and Regulations adopted from time to time shall be maintained and posted in a reasonably accessible place within the Development, made available in the office of Developer or the Association, or furnished to each Owner.

10.8 Enforcement.

(a) Owner's Responsibility. Each Owner and Owner's family

members, guests and tenants shall conform to and abide by the covenants contained in this Declaration and any Rules and Regulations that may be adopted from time to time by the Association. Each Owner shall be responsible for assuring such compliance and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

(b) Notice, Hearing and Fines. Any Owner who is believed to be in violation of this Declaration or the Rules and Regulations shall be given notice and an opportunity to be heard. After such hearing, the Association shall have the right to assess fines, up to the maximum allowed by law and may restrict the Owner's use of the Commons for up to sixty (60) days or until remedied, whichever is longer. However, the primary goal of this provision is not to punish but to conciliate and resolve problems. The Association may suggest or approve agreements and waive the requirement of paying a fine if the agreement is honored. Fines shall be charged against the Parcel as an Individual Parcel Assessment. Any fines collected shall be contributed to the general fund of the Association.

(c) Tenant Violations. If a tenant is believed to be in violation of the Declaration or Rules and Regulations, the Association shall notify the Owner and tenant and provide an opportunity for hearing. If the Association determines after notice and opportunity for hearing that a tenant has violated this Declaration or Rules and Regulations, the Association may assess fines against the Owner as provided in paragraph (b). In addition, if the violation continues for ten (10) days after notice to the Owner of the findings, or if the tenant materially violates either this Declaration or the Rules and Regulations more than once in any one-year period, the Association shall have the right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Parcel Assessment. Any lease provision that is inconsistent with the provisions of this Section shall be deemed void and is subordinate to this Declaration.

(d) Corrective Action for Parcel Maintenance. If the Association determines after notice and opportunity for hearing that any Owner has failed to maintain any part of the Parcel (including the yard and any wall, fence, Building, garden structure or other structure) in a clean, attractive and safe manner, in accordance with the provisions of this Declaration, the Design Guidelines and applicable Rules and Regulations, the Association shall notify the Owner of its findings and may assess fines as provided in paragraph (b). If the violation continues for ten (10) days after notice to the Owner, the Association shall have the right without liability to enter upon such Parcel to correct, repair, restore, paint and maintain any part of such Parcel and to have any objectionable items removed from the Parcel. The Association may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs and fees, including without limitation reasonable attorneys fees, related to such action shall be assessed to the Owner as an Individual Parcel Assessment.

(e) Pets. After notice and opportunity for hearing, the Association may find that a pet causes an unsafe condition or unreasonable disturbance or annoyance

and may require the Owner or tenant to take steps to cure or limit the offensive condition. If such steps are ineffective, if the Owner or tenant fails to cooperate or if the pet is considered to create an unsafe condition, the Association may require that an Owner or tenant permanently remove the pet from the Development.

(f) Covenants' Committee. The Association may appoint a Covenants' Committee composed of Parcel Owners to hear violations of the Declaration or Rules and Regulations and to recommend or impose fines or take any other enforcement action under this Section 10.8.

(g) Additional Remedies. All remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 14.3 ("Enforcement of the Declaration").

ARTICLE XI: Lot Categories; Restrictions on Use

11.1 Applicability of this Declaration and the Master Deed Restrictions to All Lot Categories. The easements, restrictions, terms and conditions of this Declaration and the Master Deed Restrictions shall apply to all Lot Categories, unless specifically stated otherwise.

11.2 Building. Before building, the Owner of any Lot must first select a builder from a list of approved builders maintained by the Developer. Construction must be started on all lots in accordance with the provisions of the Master Deed Restriction.

11.3 Additional Restrictions Applicable to All Lot Categories except Highgrove Village.

(1) **Use Restrictions.** Except as otherwise provided to the contrary in this Declaration, each Lot except Highgrove Village lots shall be used for single-family residential purposes only and no trade or business of any kind may be carried on. The use of any portion of a residential Building as an office by an Owner shall not be considered a violation of this covenant if such use does not create regular customer, client or employee traffic. The leasing or rental of a residential Building for residential purposes only shall not be considered a violation of this covenant so long as the lease (a) is for not less than the entire Lot, (b) is for a term of at least six (6) months and (c) is otherwise in compliance with the Rules and Regulations promulgated and published from the time to time by the Association; provided, however, that Developer shall have the perpetual right to designate from time to time any Building owned by Developer, its successors and assigns, which may be leased for such periods of time as Developer may determine. Notwithstanding anything provided in this Section to the contrary, the Property or any portion thereof, including, specifically, any Lots constituting any portion of the Property, may be used and developed for (i) any of the uses in the definition of Common Areas and (ii) any uses permitted under applicable zoning ordinances affecting the Property; provided, however, that in the event any portion of the Property is to be developed or

used for any purpose other than Common Areas or single-family residential purposes, then such use must be approved in writing by the Board. During the Developer Control Period, the Developer may, within its sole discretion, determine the uses which may be permitted in the Highgrove Village so long as such uses are permitted by applicable zoning laws and land use regulations. After the Developer Control Period, the Board shall determine what uses are permitted within Highgrove Village provided that the Board shall not have authority to terminate any existing use that is compliant with applicable zoning laws and land use regulations and that was previously approved by the Developer or the Board.

(2) **Architectural Review Committee Approval.** No Building or other improvements of any nature whatsoever shall be constructed on any Parcel unless such Building or other improvement has been approved by the Architectural Review Committee in accordance with the terms of the Master Deed Restrictions.

(3) **Underground Utilities.** All residential utility lines, pipes, conduits and wiring for electrical, gas, telephone, water, sewer, cable television, security and any other utility service for any portion of the Property shall be installed and maintained below ground, subject, however, to existing easements and rights of way, as shown in the Plat and Plan.

(4) **Building Setbacks.**

(a) Subject to the provisions of this Section, applicable zoning laws and regulations and the following Section below, minimum building setback lines for all Buildings shall be established either (i) by the Architectural Review Committee, (ii) on the Plat and Plan, or (iii) in the deed from Developer to the Owner of such Lot.

(b) No Buildings shall be built within the setback areas without the written consent and approval of the Architectural Review Committee and the Owners of any adjoining Parcels. Upon such approval, the Architectural Review Committee has the authority to set forth the easement and use restrictions for any improvements permitted within any set back area. Eaves, steps, stoops, porches, terraces, decks, patios, fireplaces/chimneys and Courtyards shall not be deemed a part of Building for the purposes of determining building setback areas.

(5) **Minimum Living Space.** Minimum Living Space in any Building shall be as follows:

Estate Lots	3,500 square feet
Manor	2,800 square feet
Villa	2,000 square feet
Mews	1,500 square feet
Parkside	1,500 square feet
Cottage	1,500 square feet
Terrace	1,500 square feet

Square footage shall be measured from the outside face of the studs.

Minimum sizes for buildings located in Highgrove Village shall be determined by the Developer during the Developer Control Period and by the Board thereafter. The term Living Space shall only include the heated and cooled area of the Building.

(6) **Roofing.** Roofing on all Buildings must be approved by the Architectural Review Committee in accordance with the Design Guidelines.

(7) **Exterior Lighting.** All exterior lighting for any Building, including, without limitation, free standing lighting and utility (e.g., flood) lights attached to a Building, must be approved by the Architectural Review Committee.

(8) **Exterior Materials and Finishes.**

(a) Approved exterior building material finishes for any Building must be approved by the Architectural Review Committee.

(b) All brick, stonework and mortar, as to type, size, color and application, must be approved by the Architectural Review Committee. All exterior colors, including, without limitations, the color of all roof shingles, brick, stone, stucco, synthetic plaster (e.g. dryvit), wood, trim, cornices, eaves, railings, doors and shutters shall be subject to approval of the Architectural Review Committee.

(c) Unless otherwise approved by the Architectural Review Committee, no concrete, concrete block or cinder block shall be used as an exposed building surface; any concrete, concrete block or cinder block utilized in the construction of a Building or for retaining walls and foundations shall be finished in the same materials utilized for the remainder of the Building (e.g., brick, stone, stucco, etc.).

(d) Metal flashing valleys, vents, and gutters installed on a Building shall be painted to blend with the color of the exterior materials to which it is adhered or installed. This shall not apply if copper flashing, valleys, vents and gutters are used.

(9) **Fences.** Unless approved by the Architectural Review Committee, no chain link, or wire fences shall be permitted on the Property except around areas within Common Areas and those fences erected by Developer. Fences shall be allowed in front yards upon approval of the Architectural Review Committee. Fences which are not taller than 36 inches shall be permitted subject to such review. Subject to review by the Architectural Review Committee, transparent fences that are taller than 36 inches may be considered for Estate and Manor lots. Electric fences shall not be permitted, except for invisible fences used for pets. The type of materials utilized for all fences (including the color thereof) and the location of all fences shall be subject to approval by the Architectural Review Committee.

(10) **Mailboxes.** With the exception of the Terrace Home Blocks, which may have clustered mailboxes, only one (1) mailbox shall be allowed on any Lot. All mailboxes shall be of the type, design, color and location as may be established in the Design Guidelines or as otherwise approved by the Architectural Review Committee. Mailboxes shall contain only the house number and street name as approved by the Architectural Review Committee, but no further inscription, paintings, ornaments or artistry shall be allowed. If required by the Architectural Review Committee, Owners of Lots shall install and pay for mailbox lighting as specified by the Architectural Review Committee.

(11) **Utility Meters and HVAC Equipment.** All electrical, telephone and cable television and other utility meters (other than gas and water meters which may be located at the front of a Building) shall be located at the rear of all Buildings, unless approved by the Architectural Review Committee. All exterior heating, ventilating and air conditioning compressor units and equipment shall be located, to the extent practicable, at the rear of a Building and, if the same are visible from the street, such compressor units and equipment shall be screened from public view by either walls or landscaping to be approved by the Architectural Review Committee. No window mounted heating or air conditioning units or window fans shall be permitted.

(12) **Driveways; Walkways.** All driveways and walkways shall be constructed of concrete or other materials approved by the Architectural Review Committee.

(13) **Outdoor Furniture, Recreational Facilities and Clotheslines.**

(a) No furniture shall be placed, kept, installed, maintained or located in or on the front or side yards or areas of a Lot unless approved by the Architectural Review Committee in accordance with its landscaping guidelines. All other furniture placed, kept, installed, maintained or located on the Lot shall, to the greatest extent practicable, be located so that the same shall not be visible from any street.

(b) Wood piles shall be located only at the rear of a residential Building and shall be screened from view by appropriate landscaping or approved fencing from streets and, to the extent practicable, from adjacent Lots.

(c) Children's toys, swing sets, jungle gyms, trampolines and other outdoor recreational equipment and appurtenances shall not be permitted on any Lot unless prior approval in writing is obtained from the Architectural Review Committee and the same is obstructed from the view of any street by appropriate approved fencing or landscaping.

(d) Free-standing playhouses, tree houses and dog houses shall not be permitted unless the same are pre-approved in writing by the Architectural Review Committee and are obstructed from the view of any street by appropriate approved fencing or landscaping.

(e) Basketball goals or backboards shall not be permitted unless the same are prior approved by the Architectural Review Committee.

(f) Unless otherwise approved by the Architectural Review Committee, barbecue grills or other types of outdoor cooking equipment and apparatus shall be located only at the rear of a residential Building (or within a Courtyard) and to the extent practicable, shall not be visible from the street.

(g) Bird feeders, wood carvings, plaques and other types of home crafts shall not be permitted in the front or side yards of any Lot. All bird feeders, wood carvings, plaques and other types of home crafts shall be located so that they are not visible from any street.

(14) Construction of Improvements.

(a) During the construction of any improvements: (i) all Lots shall be maintained in a clean condition, free of debris and waste materials, (ii) all construction materials shall be stored, to the extent practicable, out of view from any street and (iii) all construction trash, debris and rubbish on each Lot shall be properly disposed of outside the Property at least weekly. Used construction materials may be burned on-site so long as such burning is conducted at the rear of such Lot and does not create a nuisance to other Owners or occupants or violate the laws, ordinances, codes, statutes, rules or regulations of any applicable Governmental Authority; in no event, however, shall any used construction materials be buried on or beneath any Lot or any other portion of the Development. No Owner or occupant shall allow dirt, mud, gravel or other substances to collect or remain on any street. Each occupant and each Owner and each Owner's contractor, subcontractors, laborers and suppliers shall cause all such dirt, mud, gravel and other substances to be removed from the treads and wheels of all vehicles used in or related to the construction of any Buildings or improvements on a Lot or prior to such vehicles traveling on any streets in the Development.

(b) No construction trucks, equipment or machinery, including any trailers used for the transportation of construction equipment or machinery, shall be parked overnight on any streets or roads within the Property. Upon completion of construction of any improvements or any Building, all construction machinery, tools and equipment, all unused construction materials and all trash, debris and rubbish shall be immediately removed from the Lot and such Lot shall be kept and maintained in a clean and uncluttered condition.

(c) All Buildings and any other improvements shall be constructed in compliance with the Design Guidelines and all applicable federal, state, county and local laws, ordinances, rules, regulations and zoning and building code requirements. Each Owner shall be solely responsible for obtaining from the appropriate Governmental Authorities all necessary permits and licenses and otherwise paying all required fees for the construction of any improvements on such Owner's Lot. Each Owner shall also be

responsible for strict compliance with the Design Guidelines and all applicable watershed protection, soil erosion and other governmental requirements, both during and after completion of construction of any improvements on such Owner's Lot.

(d) All vacant lots shall be maintained in a manner so as not to adversely affect the appearance of the Development. The Developer or the Association may take steps to maintain the appearance of any vacant lots as needed to maintain the appearance of the Development. Any expense incurred in the maintenance of vacant lots shall be an Individual Parcel Assessment against said lot.

(15) Swimming Pools. Swimming pools, outdoor hot tubs, reflecting or fish ponds, saunas, whirlpools and lap pools may be constructed, installed and maintained only within approved areas of a Lot subject to the prior written approval of the plans for the same by the Architectural Review Committee. Above-ground pools shall not be permitted on any Lot. The Architectural Review Committee shall have the right to adopt further rules and regulations governing the construction of swimming pools and other outdoor water features or amenities within the Property.

(16) Additional Regulations. In addition to the restrictions set forth in this Declaration, (i) the Architectural Review Committee shall have the right, in its sole discretion, from time to time and at any time to adopt, modify and amend the Design Guidelines in order to impose such other, further or different requirements or restrictions which shall be binding on all Owners, including the adoption of additional or more specific requirements and restrictions governing the improvement and use of any Lot and (ii) the Board of the Association shall have the right from time to time and at any time to adopt, modify and amend such Rules and Regulations as the Board, in its sole discretion, determines to be in the best interests of all Owners, which Rules and Regulations shall be binding on all Owners.

(17) Variances. The Architectural Review Committee, in its sole discretion, shall have the exclusive right to grant variances with respect to the provisions of any restrictions set forth herein or in the Design Guidelines. Any variance request submitted to the Architectural Review Committee shall be in writing and, upon approval of the same, shall be evidenced by a written variance executed by the Architectural Review Committee. No decision of the Architectural Review Committee shall serve as precedent for any future requests for variances. Any variance granted by any Municipality or other Governmental Authority shall not be binding upon the Architectural Review Committee.

(18) Enforcement and Remedies. In the event any of the provisions of this Article are breached or are not otherwise being complied with in all aspects by any Owner or occupant or the respective family members, guests, invitees, agents, employees or contractors of any Owner or occupant, then the Association and the Architectural Review Committee shall have the remedies available to it under the Master Deed Restrictions.

ARTICLE XII

Insurance

12.1 Review of Coverage. The Board shall review limits of coverage for each type of insurance at least once each year.

12.2 Casualty Insurance. The Board shall obtain and maintain casualty insurance on the Commons for fire and other casualty damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Commons.

12.3 Public Liability. The Board may obtain public liability insurance in such limits as the Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Commons and any topographic conditions or water access located on or adjoining the Development. At the Board's discretion, such coverage may include easements, such as walkways, that benefit the Association. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board or other Owners.

12.4 Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by Members of the Board and advisory members in the performance of their duties. Such insurance shall be of the type and amount determined by the Board in its discretion.

12.5 Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Board may determine or as may be requested from time to time by a majority vote of the Members.

12.6 Parcel Coverage. Each Owner shall obtain casualty insurance for improvements on his Parcel and may elect to obtain liability insurance. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Parcel. If requested by the Association, an Owner shall provide evidence of such insurance to the Association.

12.7 Terrace Homes. Owners of Terrace Homes shall collectively maintain insurance for their buildings, which payments shall be made through Terrace Home Block assessments. The Developer or Association shall keep the Terrace Home buildings insured for extended coverage, vandalism, malicious mischief, flood and windstorm, and other casualties as may be reasonably determined to be necessary by the Developer or the owners of the Terrace Home Blocks. Coverage shall be in an amount not less than

necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Commons.

12.8 Repair and Reconstruction after Fire or Other Casualty.

(a) Commons. If fire or other casualty damages or destroys any of the improvements on the Commons, the Board shall arrange for and supervise the prompt repair and restoration of the improvements unless the area is to be redeveloped as provided in Section 13.3 ("Redevelopment"). The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) Parcel Improvements. If fire or other casualty damages or destroys a Building or any other improvements on a Parcel, the Owner of that Parcel shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Architectural Review Committee or the area is to be redeveloped as provided in Section 13.3. If the Owner fails to clean and secure a Parcel within thirty (30) days after a casualty, the Association may, in accordance with the provisions of Section 10.8(d) ("Corrective Action for Parcel Maintenance"), remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Parcel safe and attractive. The cost of such clean-up shall be assessed to the Parcel Owner as an Individual Parcel Assessment.

ARTICLE XIII: Amendment, Redevelopment and Termination

13.1 Amendment.

(a) By Members. Subject to the rights reserved to Developer in the Certificate and Bylaws (which, among other things, provide that only Developer, during the Developer Control Period, shall be exclusively entitled to take various actions and vote on all matters to be voted on by the Members of the Association), this Declaration may be amended at any time by an instrument signed by the president or vice president and secretary of the Association, certifying approval by Members representing sixty seven percent (67%) of the votes in the Association.

(b) By the Developer. To the extent permitted by law, the Developer specifically reserves the absolute and unconditional right to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Department of Veterans Affairs, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the

Declaration's provisions or correct errors.

(c) Limitations. Whenever any action described in this Declaration requires approval of greater than sixty seven percent (67%) of the Parcel Owners, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly. Rights reserved to the Developer may not be amended without the specific consent of the Developer.

(d) Recording. Any amendment shall take effect upon recording in the public records.

(e) Supplemental Declaration. The provisions of any Supplemental Declaration shall not be deemed an amendment of this Declaration, notwithstanding any modification or addition of provisions applicable to such additional property.

13.2 Dedication.

(a) Common Roads. If any portion of the Common Roads has not previously been dedicated to the public, the Developer or Association shall have the right to convey title to or dedicate the Common Roads to the appropriate public agency or authority.

(b) Commons. All other Commons may be dedicated to the public by the Board upon consent of Parcel Owners representing sixty seven percent (67%) of the votes in the Association.

(c) Greenways; footpaths. No earlier than twenty (20) years from the recording of this Declaration, if the Association determines that it no longer wishes to maintain all or some of the greenways or footpaths between Parcels, the ownership of such greenways or footpaths may be divided evenly between the adjacent Parcel Owners, with the consent in writing of Parcel Owners representing sixty-seven percent (67%) of the votes in the Association. The property shall be subject to an easement for any then-existing utilities, and an easement may be reserved for continued use of the greenways or footpaths if required by the approving Owners.

(d) Necessary Approval. Any dedication or conveyance described above is subject to acceptance by the applicable governmental agency.

13.3 Redevelopment.

(a) Purpose. If the Development should ever be struck by a natural disaster or other casualty, all or a portion of the Development might be destroyed and need to be rebuilt. In general, after any casualty loss, improvements are to be rebuilt in accordance with the original plan. Alternatively, this section provides a method for redevelopment in accordance with a new plan when Parcel Owners representing sixty-seven percent (67%) of the votes in the Association, the Developer and a majority of the mortgagees agree that it is necessary and desirable to do so. This super-majority approval

is designed to protect individual property owners' rights and expectations in their property. However, when such consensus is achieved, this section allows redevelopment, while continuing to protect the dissenting owners by assuring payment to them of fair market value, plus a relocation allowance. The same method may be used when, after long periods of time, changing uses and conditions make redevelopment desirable.

(b) Definitions. Redevelopment is the process of rebuilding all or a portion of the Development, known as a Redevelopment Area, in accordance with revised Design Guidelines, combined with the offer to purchase the property of any dissenting Parcel Owners. A Redevelopment Area must be a defined, logical section for redevelopment or it must include the entire Development. The plan may allow buildings that are currently in serviceable condition to remain but require that such buildings, if rebuilt or remodeled in the future, be rebuilt in accordance with the redevelopment plan. The plan for redevelopment may include termination of the Declaration for the Redevelopment Area. If the Declaration is terminated for a Redevelopment Area, the Developer may sell or donate to the Owners within the Redevelopment Area the Commons located there, reserving access and use easements as appropriate.

(c) Redevelopment: When Available. Redevelopment shall be available only upon the occurrence of one of the following:

(i) Any time after thirty (30) years from the recording of this Declaration, or

(ii) Upon a casualty loss destroying at least two-thirds, by value, of the insurable improvements, either within the entire Development, or within a Redevelopment Area. If the necessary approvals are not obtained within one-hundred-eighty (180) days after the casualty, or longer if reasonably required to procure the same, then the damage must be repaired in accordance with Section 12.8 ("Repair and Reconstruction after Fire or Other Casualty").

(d) Approvals. Redevelopment requires the consent in writing of Parcel Owners representing sixty seven percent (67%) of the votes within the Redevelopment Area; Mortgagees holding mortgages on a majority, by Assessment interests, of the Parcels encumbered by such mortgages; and the Developer, if during the Developer Control Period. If the plan is approved, consenting Owners must rebuild in accordance with the redevelopment plan, and, unless the plan provides otherwise, must participate in the purchase of dissenting Owners' Parcels.

(e) Redevelopment Corporation. The plan may include formation of a redevelopment corporation or other entity to purchase the Parcels of dissenting Owners. Unless otherwise agreed, the consenting Owners would be required to contribute to the capital of the redevelopment corporation in proportion to their General Assessments, as a portion of all consenting Owners. The plan may authorize the Association, on behalf of the redevelopment corporation, to collect the Owners' shares as an Individual Parcel Assessment.

(f) Option to Purchase. Upon approval of the redevelopment plan, the redevelopment corporation or other designee of the consenting Owners shall deliver an option to purchase to all remaining Owners of Parcels within the Redevelopment Area. The option to purchase must be delivered in person or by registered mail to each Owner of a Parcel to be purchased. The recipient of such an option shall, within thirty (30) days, choose either to join the consenting Owners, or to sell the Parcel to the consenting Owners. Failure to agree to the sale within 30 days shall be deemed to be agreement to join the consenting Owners. The sale price shall be paid in cash or upon terms approved by the seller, and the sale shall be closed in a timely fashion following determination of the sale price.

(g) Price. The price for each Parcel to be purchased shall be its fair market value determined by agreement between the seller and the designee of the consenting Owners within thirty (30) days of the delivery or mailing of the notice. In the absence of agreement, the purchasing Owners and the selling Owners shall each select a real estate appraiser, which appraiser shall then choose a third appraiser and the purchase price shall be the average (mean) of the three appraisals. The fair market value of the property shall be determined in its present, as-is condition, subject to the Declaration, and the seller shall be entitled to any insurance proceeds attributable to that Parcel distributed on account of the casualty loss. The expense of the appraisals and all closing costs shall be paid by the purchaser.

(h) Relocation Allowance. In addition to the purchase price, the purchaser shall pay to the seller a relocation allowance of five percent (5%) of the purchase price.

(i) Enforcement. A judgment of specific performance of the purchase based upon the determination of the price by the appraisers may be entered in any court of competent jurisdiction.

(j) Limitation. Redevelopment shall be subject to applicable zoning and other governmental regulation.

13.4 Duration: Termination. The covenants and restrictions contained in this Declaration shall run with and bind the Development and shall inure to the benefit of and be enforceable by the Developer, the Association, and all Owners of property within the Development, their respective legal representatives, heirs, successors or assigns for twenty (20) years, and shall be automatically extended for three (3) succeeding ten (10) year periods unless an instrument signed by Owners representing ninety percent (90%) of the votes in the Association within the last year prior to expiration of the ten (10) year period shall have been recorded, agreeing to terminate the Declaration as of a specified date.

This Declaration may also be terminated in any of the following ways:

(a) Unanimous Consent. The Declaration may be terminated at any time by the consent in writing of all Owners.

(b) Dedication of Commons. The Declaration may be terminated by consent in writing by Parcel Owners representing sixty-seven percent (67%) of the votes in the Association, if all of the Commons have been accepted for dedication or taken by eminent domain by the appropriate unit of local government (except that greenways or footpaths between two Parcels may be divided evenly between the adjacent Parcel Owners in accordance with Section 13.2).

(c) Redevelopment. The Declaration may be terminated for all or a part of the Development in accordance with the redevelopment provisions of Section 13.3.

13.5 Condemnation. If all or part of the Commons is taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

ARTICLE XIV:

Terrace Homes and Other Common Maintenance Parcels

14.1 Applicability of Article. The provisions of this Article XIV shall apply to all Common Maintenance Parcels within the Development.

14.2 Services to be provided by the Association. The Association shall be obligated to provide or may provide, as set forth below, the following services to all Common Maintenance Parcels:

(a) Landscape Maintenance. The Association shall install common sprinkler systems in and maintain the front yards and any common yards located in any Terrace Home Block and the charge for such maintenance shall be assessed to Terrace Block owners only. Street trees or forested areas within a Common Maintenance Zone that are part of a Parcel but that are not intended to be fenced may also be included within the commonly maintained landscape service. Other rear yard maintenance may be provided as set forth in this Section 14.2(f) or otherwise on a contract basis.

(b) Roof. The Association shall maintain the shared roof structure of a Terrace Home Block, and may maintain other roofs as provided in Section 14.2(f). The Association shall maintain all such roofs in accordance with Section 14.5.

(c) Insurance. The Association shall contract for casualty insurance for Terrace Home Blocks. The charge for such insurance shall be assessed to Terrace Home Owners only and not to other Parcel Owners. The Association may contract for casualty insurance for other Common Maintenance Zones as provided in this Section 14.2(f). Such insurance shall be paid by assessments only to Owners in such Common Maintenance Zones and not by other Owners. The Association shall contract for all such insurance in accordance with the provisions of Section 14.6 and Article XII.

(d) Exterior Maintenance. Unless the Board determines otherwise, the exterior wall surfaces and exterior trim of buildings within each Terrace Home Block shall be maintained by the Association. Such maintenance shall include repair and replacement as necessary, and painting, pressure washing or other cleaning as determined by the Board. The Board shall make rules determining which portions of the building shall be maintained by the Association and which portions shall be maintained by the Owner.

(e) Outbuildings. The Board shall determine whether maintenance, repair and other services shall be provided to outbuildings as well, or just the primary structure.

(f) Additional Services. Any Common Maintenance Zone may, by majority vote of the Members within that Zone and approval of the Board, vote to assess themselves for additional maintenance or services for a prescribed period of time of up to five years, including but not limited to installation and maintenance of a common sprinkler system and lawn maintenance, for individual and common yards and green spaces.

(g) Owners' Rights, Responsibilities. Except as specifically provided in this Article or other recorded instrument, each Owner shall care for and maintain at the Owner's expense all parts of that Owner's property.

14.3 Allocation of Costs for Services. The cost of services set forth in Section 14.2 shall be shared among all Owners of Lots in any applicable Lot Category or Common Maintenance Zone.. Assessments for such services shall be assessed to the Common Maintenance Parcels as an Individual Parcel Assessments. Costs are to be divided as follows:

(a) Landscape Maintenance. The cost of front and sideyard and forest landscape maintenance shall be shared equally by all town home unit owners within any Terrace Home Block. Any rear yard maintenance that is provided in accordance with Section 14.2(f) or otherwise on a contract basis shall be assessed to the Parcel as an Individual Parcel Assessment.

(a) Other Maintenance. The pro rata share of the cost for all other services required or permitted in a Common Maintenance Zone shall be based upon the total square footage of enclosed, water-tight space in the primary building, including unheated garage space, on the Common Maintenance Parcel. If the outbuilding roof or other portions of the outbuilding are to be maintained, then the total square footage of the outbuilding shall be included for such purposes. The Association may make and consistently apply rules concerning determination of square footage.

(b) Management. The cost of the Association's additional professional management attributed to the Common Maintenance Zone shall be added to the cost of the services provided.

14.4 Reserve Fund.

(a) Terrace Home Roof. The Association shall establish and maintain a reserve account for repair and replacement of a Terrace Home Block roof based on the expected life and replacement cost.

(b) Other Reserves. The Association may also establish reserves for repainting and other major expenses for a Terrace Home Block or Common Maintenance Zone as the Board deems reasonable and efficient.

(c) Assessment. Reserve contributions shall be assessed to Common Maintenance Parcel Owners as Individual Parcel Assessments prorated as provided in Section 14.3(b).

(c) Accounts. Reserve funds may be commingled in a single account but shall be accounted for by Terrace Home Block or other Common Maintenance Zone, as appropriate.

14.5 Roof Maintenance. This Section shall apply to any Terrace Home with a shared roof structure and to any other Common Maintenance Parcel whose roof is subjected to Association maintenance as provided in Section 14.2(f).

(a) Replacement. The entire roof shall be replaced when any of the following shall occur:

(i) A roof that is approaching its normal life expectancy (or that the Association deems to be defective) requires repair and the Association determines that it would be more efficient to replace the roof; or

(ii) A portion of the roof has been damaged by casualty, and the Association chooses to replace the roof under paragraph (d).

(b) Repair. If the roof does not need to be replaced but is causing water leakage or the Association otherwise determines that a roof requires repair, then the Association shall make all necessary repairs. If the Association determines that a roof does not need to be repaired, the Owner of the Common Maintenance Parcel directly underneath the damaged portion shall have the right to repair the roof subject to architectural control under paragraph (e).

(c) Payment of Repairs or Replacement. The cost of roof replacement under paragraph (a) or repair under paragraph (b) shall be paid first from any insurance proceeds and then from the reserve fund. If the reserve fund is not sufficient to pay for the repair or replacement, then the Association shall levy a special Individual Parcel Assessment on each Common Maintenance Parcel within the Terrace Home Block or Common Maintenance Zone to cover the cost.

(d) Casualty. If the roof is damaged as the result of casualty, the Owner of the Common Maintenance Parcel directly underneath the damaged portion shall promptly notify the Association. If the Association is not immediately responsive, the Owner shall also take reasonable steps to obtain emergency bracing and temporary covering for the roof as necessary to protect the Owner's residential unit and other residential units, the reasonable cost for which shall be reimbursed to the Owner by the Association from insurance proceeds or otherwise. The Association shall pay for the repair or replacement first from Insurance proceeds and then from reserves. If the reserves are not sufficient to pay the cost, all Owners of residential units in the affected Terrace Home Block or Common Maintenance Zone shall be subject to Individual Parcel Assessments for the deficit.

(e) Architectural Control. Any repair or replacement of a roof (including outbuildings) with materials or style different from those originally approved must be approved in accordance with the architectural review provisions of the Master Deed Restrictions. No antenna, satellite dish or other structure may be erected on the roof unless approved in accordance with the architectural review provisions of the Master Deed Restriction and the Design Guidelines. Any such structure to be placed on the roof must also be approved by the Association to assure that the roof will not be damaged.

(f) Owner. Association Responsibility. Owners shall promptly report to the Association any water leakage in any Terrace Home or other Common Maintenance Parcel covered by this Section 14.5.

(g) Damage or Destruction by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his family damages the roof as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. To the extent not covered by insurance, the cost of repair shall be the responsibility of that Owner and shall become an Individual Parcel Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

14.6 Insurance; Casualty. The Association shall contract for casualty insurance for Terrace Home Blocks and, to the extent the Association is obligated to contract for insurance under Section 14.2(f), for other Common Maintenance Zones, in accordance with the following provisions:

(a) Cost: Assessment. The Association shall assess the cost to each Parcel within the Common Maintenance Zone as an Individual Parcel Assessment. The cost of such assessment shall be based upon the relative cost of insurance for the various Parcels, if reasonably available. Otherwise, the pro rata assessments shall be based upon the total square footage of enclosed space in the Common Maintenance Parcel.

(b) Association's Insurance. The Board shall obtain and maintain casualty insurance for fire and other casualty damage on the Covered Common Improvements. The term "Covered Common Improvements" shall include the structures

and other improvements located within the Terrace Home Block or other Common Maintenance Zone, but excluding the interior of each residential unit extending to its outermost unfinished interior walls, floors, and ceilings. Without limiting the foregoing, "Covered Common Improvements" shall also include the electrical, mechanical, plumbing, and utility systems serving each residential unit. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the Covered Common Improvements. The Board shall review limits of insurance coverage at least once each year.

(c) Owner's Insurance. It shall be the responsibility of each Parcel Owner to determine the extent of the Association's insurance coverage and to obtain private coverage as necessary. Insurance obtained by the Association may not include liability coverage, may have a significant deductible, and will not include fixtures, cabinetry, appliances, equipment, furnishings, personal property, and any other interior portions of a residential unit extending to its outermost unfinished interior walls, floors, and ceilings and the contents thereof.

(d) Casualty Loss. Except as provided in Section 14.5(d), if any Common Maintenance Parcel is damaged by casualty, the Owner shall promptly clean, secure and repair the damaged property unless the Association determines that it shall make the repair. Any repair or reconstruction shall be according to the specifications as they existed before the damage, or to specifications approved by the Design Review Board. If the Owner is responsible for the repair, then the Association shall make available to the Owner applicable insurance proceeds. The Association shall institute reasonable procedures to assure proper use of the insurance proceeds.

14.7 Common Maintenance Advisory Council. The Board may establish an advisory council of Common Maintenance Parcel Owners. The president or other representative from the advisory council may sit on the Board as a non-voting director.

ARTICLE XV: General Provisions

15.1 Interpretation.

(a) Construction. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Development as a community of the highest quality.

(b) Governmental Regulation. All provisions of this Declaration shall be subject to applicable government regulation or agreements.

15.2 Invalidity. The invalidity of any part of this Declaration shall not impair

or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.

15.3 Enforcement of Declaration.

(a) Enforcement. Without limiting any of the foregoing provisions regarding enforcement, remedies or liens, and in addition thereto, suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Declaration. To enforce this Declaration or the Rules and Regulations, the Association, the Developer or any Owner may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Association.

(b) No Waiver. Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(c) Association's Legal Fees. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Association in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, may be assessed as an Individual Parcel Assessment to the Owner against whom such action was taken.

15.4 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Parcel and, if different, to the last known address of the person who appears as Owner of the Parcel as that address is stated on the records of the Association at the time of the mailing. If the Owner has given approval, notice may be given by electronic means to an address provided by the Owner.

15.5 Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

15.6 Consent of Mortgagees.

(a) When Consent Required. This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Declaration specifically impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of Mortgagees as provided in subsection (b). This section shall not be construed, however, as a limitation upon the rights of the Developer, the Association or the Members to make amendments that do not adversely affect the Mortgagees.

(b) Percentage Required. Wherever consent of the Mortgagees is required, it shall be sufficient to obtain the written consent of Mortgagees holding a lien on more than fifty percent (50%) or more of all Parcels encumbered by a mortgage.

(c) Timely Response. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within thirty (30) calendar days of receipt of request for consent shall be deemed given.

15.7 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Alabama.

15.8 Regulation by the City of Tuscaloosa. Each Owner hereby agrees that the City of Tuscaloosa (the "City") is authorized and empowered to require the Association and each Owner, jointly and/or severally, to provide for the orderly maintenance and upkeep of the Commons. In the event that the City, or any agent thereof, determines that the Commons are being maintained in a manner that is dangerous or detrimental to the health, safety and welfare of the community, pursuant to the provisions of the Tuscaloosa Municipal Code, the City and its agents, may upon ten (10) days notice to the Association enter upon the Commons and make any repairs or improvements to the Commons that the City and its agents deem necessary to remedy such conditions. Thereafter, the Association and each Owner shall be obligated to pay to the City its costs for all improvements, work and/or labor, supplied or furnished to the Commons. The obligation to pay said costs shall be a personal obligation of the Association and each Owner, jointly and severally. All such costs shall be paid to the City within five (5) days of receipt from the City of a statement for such costs, which receipt shall be required to be served upon the President of the Association only. All Owners hereby waive notice of receipt of said statement for such costs. In order to secure payment at and after the due date, there shall arise a continuing lien and charge against each lot in favor of the City, the amount of which shall include costs and reasonable attorneys' fees to the extent permissible by law. The City may bring an action at law against the Association and/or any Owner, or foreclose the lien against any property owned by any Owner. However, it is understood that any such lien in favor of the City shall be subordinate to the lien of any deed of trust placed upon the property for the purpose of securing indebtedness incurred to purchase or improve such property. Neither the Association nor any Owner may waive or otherwise escape liability for the cost incurred by the City as described herein.

IN WITNESS WHEREOF, the undersigned hereby make this Declaration of Easements, Covenants and Restrictions for Highgrove and have caused this Declaration to be executed as of the date first written above.

HIGHGROVE, INC.

By: 
Its President

ACKNOWLEDGEMENT

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that Gene Ray Taylor, whose name as President of Highgrove, Inc., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

In Witness Whereof, I hereunto set my hand and official seal on this the 14 day of July, 2016.



Notary Public

My commission expires:

~~MY COMMISSION EXPIRES 3-8-2020~~

EXHIBIT "A"

All that certain lot or parcel of land situated in the County of Tuscaloosa, State of Alabama, and being more particularly described as follows:

A parcel of land located in the Northeast Quarter, the North Half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 25, Township 20 South, Range 10 West and the West Half of the Northwest Quarter and the West Half of the Southwest Quarter of Section 30, Township 20 South, Range 9 West all in Tuscaloosa County, Alabama and being more particularly described as follows:

As a POINT OF BEGINNING, start at the Southwest corner of said Section 30; thence run in an Easterly direction along the South boundary of said Section 30 for a distance of 1,329.49 feet to a point; thence with an interior angle of 86 degrees 32 minutes, run in a Northerly direction along the East boundary of the West Half of the Southwest Quarter for a distance of 1,784.71 feet to a point on the West Right-of-Way of Rice Mine Road (also known as Owens Road); thence with an interior angle of 173 degrees 33 minutes, run in a Northwesterly direction along said West Right-of-Way for a distance of 2,681.85 feet to a point; thence with an interior angle of 90 degrees 00 minutes, run in a Southwesterly direction along said Right-of-Way for a distance of 20.00 feet to the point of curvature of a curve having a delta of 119 degrees 45 minutes and a radius of 779.00 feet; thence with an interior angle of 209 degrees 53 minutes to the chord, run in a Northwesterly to Southwesterly direction along said curving Right-of-Way for a chord distance of 1,347.59 feet (arc distance of 1,628.18 feet) to the point of tangency of said curve, said point being on the East Right-of-Way of Watermelon Road; thence with an interior angle of 120 degrees 11 minutes from the chord, run in a Southwesterly direction along said East Right-of-Way for a distance of 635.98 feet to the point of curvature of a curve having a delta of 11 degrees 00 minutes and a radius of 3,541.10 feet; thence with an interior angle of 174 degrees 30 minutes to the chord, continue in a Southwesterly direction along said curving Right-of-Way for a chord distance of 678.78 feet (arc distance of 679.82 feet) to the point of tangency of said curve; thence with an interior angle of 174 degrees 30 minutes from the chord, continue in a Southwesterly direction along said East Right-of-Way for a distance of 87.69 feet to the point of curvature of a curve having a delta of 10 degrees 10 minutes and a radius of 2,824.93 feet; thence with an interior angle of 174 degrees 55 minutes to the chord, continue in a Southwesterly direction along said curving Right-of-Way for a chord distance of 500.58 feet (arc distance of 501.23 feet) to the point of tangency of said curve; thence with an interior angle of 174 degrees 55 minutes from the chord, continue in a Southwesterly direction along said East Right-of-Way for a distance of 238.39 feet to a point; thence with an interior angle of 120 degrees 40 minutes, run in a Southeasterly direction for a distance of 642.22 feet to the point of curvature of a curve having a delta of 27 degrees 29 minutes and a radius of 1,490.77 feet; thence with an interior angle of 193 degrees 59 minutes to the chord, continue in a Southeasterly direction along said curve for a chord distance of 708.32 feet (arc distance of 715.16 feet) to the point of tangency of said curve; thence with an interior angle of 193 degrees 53 minutes from the chord, run in a Southerly direction for a distance of 2,066.82 to the Southwest corner of the Southeast Quarter of the Southeast Quarter of said Section 25; thence with an interior angle of 92 degrees 27 minutes, run in an Easterly direction along the South boundary of said Section 25 for a distance of

1,330.49 feet to the POINT OF BEGINNING of the parcel herein described, at which point the interior angle is 179 degrees 59 minutes. Said parcel containing 281.72 acres.

LESS AND EXCEPT that part of the property conveyed to Highgrove, Inc. in Deed Book 2015 Page 13146, which property is include in the plat of Highgrove Phase I recorded at Plat Book 2016 Pages 62 through 66 in the Probate Office of Tuscaloosa County, Alabama.

DEED Book 2016 Page 15839

Recorded: 7/20/2016 12:25:21 PM

W. Hardy McCollum, Probate Judge

Tuscaloosa County, Alabama

Term/Cashier: PRO-RECORDING2/RENEEA

Tran: 928629

Probate Judge Fee \$2.00

Recording Fee - By Page Count \$180.00

Source of Title \$1.00

No Tax Collected

Total: \$183.00

EXHIBIT B

CERTIFICATE OF FORMATION

Recorded: 12/16/2015 2:05:34 PM
W. Hardy McCollum, Probate Judge
Tuscaloosa County, Alabama
Term/Cashier: PRO-RECORDING1/JMCATEER
Tran: 837439
Incorporations \$50.00
Probate Judge Fee \$2.00
Total: \$52.00

This Instrument Prepared By:
Kenneth D. Davis
700 Towncenter Boulevard, Suite 4
Tuscaloosa, Alabama 35406

**CERTIFICATE OF FORMATION OF
HIGHGROVE OWNERS' ASSOCIATION, INC.**

KNOW ALL MEN BY THESE PRESENTS, that Kenneth D. Davis, Organizer, desiring to form a non-profit corporation under the laws of the State of Alabama, for the purposes hereinafter set forth, does hereby make and subscribe to this Certificate of Formation of Highgrove Owners' Association, Inc.

**ARTICLE I
NAME**

The name of the non-profit corporation shall be Highgrove Owners' Association, Inc. (hereinafter referred to as the "Association").

**ARTICLE II
PURPOSES AND POWERS**

The Association does not contemplate pecuniary gain or profit to the members thereof, and the primary purpose for which it is formed is to promote the best interest of the Owners of Lots and Parcels in Highgrove, a plat of which is to be recorded in the Probate Office of Tuscaloosa County, Alabama (hereinafter referred to as the "Plat"), as well as any future supplemental phases or sections of the Plat, if and when developed, and for which plats are duly filed and which are submitted as being subject to Highgrove Master Deed Restrictions and the Declaration of Easements, Covenants and Restrictions for Highgrove which are to be filed of record in the Probate Office of Tuscaloosa County, Alabama (collectively referred to as the "Highgrove Restrictions") and which (including the terms, conditions and defined capitalized terms contained therein) shall be incorporated herein by reference, the said Plat being sometimes referred to namely as "Highgrove". It is a further purpose of the Association to promote the health, safety and welfare of the Owners of Lots and Parcels in the Townes, and for these purposes, the Association shall have the following powers:

(1) The Association shall have all powers now conferred or which may hereafter be conferred on a non-profit corporation under the laws of the State of Alabama which are not in conflict with the terms of this Certificate.

(2) The Association shall have all the powers and duties as contained in the Highgrove Restrictions and in any By-Laws of the Association and any Rules and Regulations of the Association, which By-Laws and Rules and Regulations, along with this Certificate, shall be sometimes collectively referred to as the "Association Documents".

(3) All funds and titles of all properties acquired by the Association and the proceeds thereof shall be held in the name of the Association in and for the benefit of the members of the Association in accordance with the provisions of the Association Documents and the Highgrove Restrictions.

ARTICLE III MEMBERSHIP

The Association shall issue no shares of stock of any kind or nature whatsoever. Each person or entity who is the record Owner of a Lot or Parcel in Highgrove shall be a member of the Association.

ARTICLE IV INCORPORATOR

The name and address of the incorporator is as follows:

NAME

ADDRESS

Kenneth D. Davis

700 Towncenter Boulevard, Suite 4
Tuscaloosa, Alabama 35406

ARTICLE V DIRECTOR

The initial Director shall be Gene R. Taylor, whose address is P. O. Box 410, Northport, Alabama 35476. A meeting of the Director shall be held within three (3) days of the filing of this Certificate to prepare by-laws, elect officers and transact any other business that may come up at the meeting.

ARTICLE VI OFFICERS

The officers of the Association shall consist of a President, Vice President, a Secretary and a Treasurer, any two or more of which may be held by one person, except that the President shall not be the Secretary. Each officer shall be elected or appointed at such time and in such manner and for such terms and shall have such powers and duties as may be prescribed in the By-Laws of the Association.

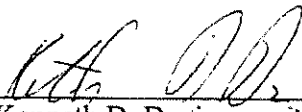
ARTICLE VII REGISTERED AGENT

The registered agent of the Association shall be Gene R. Taylor. The registered address of the Association shall be 6801 McFarland Boulevard W., Northport, Alabama 35476.

ARTICLE XIII INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him or her in connection with any proceeding or any settlement of any proceeding to which he or she may be a party or in which he or she may become involved by reason of his or her being or having been a director or officer at the time such expenses are incurred, or liabilities shall arise, except when the director or officer is adjudged to be guilty of willful misfeasance in the performance of his or her duties. The foregoing right of indemnification shall be in addition to and not exclusive of all the rights to which such director or officer may be entitled. The directors shall be authorized to purchase directors' and officers' liability insurance providing coverage to the officers and directors of the Association at the expense of the Association.

In witness whereof, the undersigned organizer has executed this Certificate of Formation on this 14 day of December, 2015.



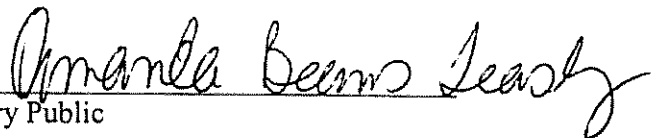
Kenneth D. Davis

**STATE OF ALABAMA
COUNTY OF TUSCALOOSA**

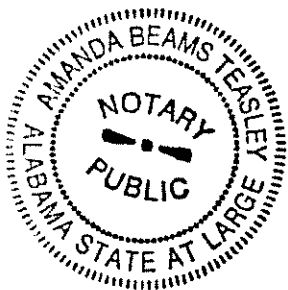
I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that **Kenneth D. Davis**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

In Witness Whereof, I hereunto set my hand and official seal on this the 14 day of December, 2015.

My commission expires:
01-23-18



Notary Public



John H. Merrill
Secretary of State

P.O. Box 5616
Montgomery, AL 36103-5616

STATE OF ALABAMA

I, John H. Merrill, Secretary of State of Alabama, having custody of the Great and Principal Seal of said State, do hereby certify that

pursuant to the provisions of Title 10A, Chapter 1, Article 5, Code of Alabama 1975, and upon an examination of the entity records on file in this office, the following entity name is reserved as available:

Highgrove Owners' Association, Inc.

This name reservation is for the exclusive use of Kenneth D. Davis, 700 Towncenter Blvd., Suite 4, Tuscaloosa, AL 35406 for a period of one year beginning November 23, 2015 and expiring November 23, 2016

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State, at the Capitol, in the city of Montgomery, on this day.



November 23, 2015

Date

RES707307

John H. Merrill

Secretary of State

EXHIBIT C

BYLAWS

This Instrument Prepared By:
Kenneth D. Davis
700 Towncenter Blvd., Suite 4
Tuscaloosa, Alabama 35406

BY-LAWS OF
HIGHGROVE OWNERS ASSOCIATION, INC.

The By-Laws of Highgrove Owners Association, Inc. are hereby promulgated by the Board of Directors pursuant to the Alabama Non-Profit Corporation Act for the purposes of governing the Highgrove Owners Association, Inc., a non-profit corporation (hereinafter referred to as the "Association").

INTRODUCTION:

1. Highgrove, Inc. (hereinafter referred to as the "Developer") has developed Highgrove, a map or plat of which is recorded in Plat Book 2016 at Pages 62 through 66 in the Probate Office of Tuscaloosa County, Alabama.

2. Developer will place of record the Highgrove Master Deed Restrictions and the Declaration of Easements, Covenants and Restrictions for Highgrove ("Declaration") in the Probate Office of Tuscaloosa County, Alabama, both of which (including all terms, conditions and defined capitalized terms contained therein) are incorporated herein by reference. The Master Deed Restrictions and the Declaration of Easements, Covenants and Restrictions are collectively referred to herein as the Highgrove Restrictions.

3. The Association shall be governed by the Certificate of Formation of the Association, these By-Laws and any Rules and Regulations of the Association which may be promulgated; collectively, the "Association Documents".

4. All present and future Owners, mortgagees, lessees and occupants of Lots and Parcels in Highgrove are subject to the Association Documents, the Highgrove Restrictions and the Plat of Highgrove.

5. The acceptance of a deed or other conveyance or the occupancy of any Lot or Parcel in Highgrove shall constitute an agreement that the Association Documents, the Highgrove Restrictions and the Plat, as they may be hereafter amended, are accepted and ratified, and will be complied with.

ARTICLE I
OFFICE

The Association shall have and continuously maintain in this State a registered office and registered Agent whose office is identical with such registered office. The address of the registered office in Alabama at the time of incorporation is Gene R. Taylor. The name of the

registered agent of the corporation at the time of incorporation at said address is 6801 McFarland Boulevard W. Northport, Alabama 35476.

ARTICLE II MEMBERSHIP AND MEMBERSHIP MEETINGS

1. Qualification: The members of the Association shall consist of all of the record Owners of Lots and Parcels in Highgrove. In the event that a Lot or Parcel is owned by more than one (1) owner, the Owners of said Lot or Parcel shall designate by a certificate signed by all of the record Owners which one of said Owners shall represent them as the member of the Association.

2. Change of Membership: Change of membership in the Association shall be established by the recording in the Probate Office of Tuscaloosa County, Alabama, of a deed or other instrument establishing a change of record title to a Lot or Parcel in Highgrove. Upon the delivery to the Association of a recorded copy of such instrument, the Owner designated by such instrument thereby becomes a member of the Association. The membership of the former Owner shall be thereby terminated upon the recording of the deed or other instrument establishing a change of record title.

3. Voting Rights: As provided in the Declaration, the holder of title to each Lot or Parcel in Highgrove carries with such title the right to cast one (1) vote, on the basis of one (1) vote per Lot or Parcel, whichever is applicable, at any regularly or specially called meeting of the members of the Association.

4. Annual Meetings: Annual meetings of members of the Association shall be held at the office of the Association (or at the office of legal counsel for the Association) in the month of January of each year, on a date and at such time as the Board of Directors shall designate in the notice of such meeting provided to the members; subject, however to the provisions of Section 13 of this Article. The annual meeting shall be held for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

5. Special Meetings: Special meetings of the members may be called by the Board of Directors, the president or by a majority of the members of the Association, (based upon the total number of available votes outstanding), for the purpose of considering and acting upon any matters of interest to the Association and its membership, and taking any other action not inconsistent with the Highgrove Restrictions or the Association Documents, including, but not limited to, the adoption of resolutions declaring the desirability of any further action recommended by the membership.

6. Notice of Meetings: Notice of all membership meetings stating the date, time, place and purpose for which the meeting is called shall be mailed, emailed or sent by social media as agreed to by a two-thirds majority of the Members of the Association. Each Member shall receive not less than ten (10) days or more than thirty (30) days' notice such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, postage prepaid, or when

emailed, or when posted on social media if such arrangement is agreed to by a two-thirds majority of the Members. Notices of meetings may be waived either before or after meetings.

7. Voting in Person or by Proxy: A member may vote in person or by proxy executed in writing by the member or his duly authorized attorney-in-fact. No proxy shall be valid except for the particular meeting designated therein.

8. Quorum: A majority of the members of the Association, based upon the number of available votes outstanding, shall constitute a quorum at any meeting.

9. Vote Required to Transact Business: When a quorum is present at any meeting, the holders of a majority of the voting rights present in person or represented by written proxy shall decide any questions brought before the meeting, unless the question is one upon which, by express provision of the law, the Highgrove Restrictions or the Association Documents, a different number is required, in which case the express provision shall govern and control the decision in question.

10. Consents: Any action which may be taken by a vote of the members may also be taken by written consent to such action signed by the members required to take such action if such members were present and voting.

11. Adjourned Meetings: If any meeting of members cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

12. Order of Business: The order of business at annual member's meetings and, as far as practical, at all other members' meetings, shall be according to the latest edition of Robert's Rules of Order, when not in conflict with the Association Documents.

13. Developer Control: Notwithstanding any provision otherwise contained in any of the Association Documents, during the Development Period, as defined in Paragraph 1.17 of the Declaration, the Developer shall be exclusively entitled to vote on all matters to be voted on by the members of the Association; provided, however, that Developer may (as provided in the Declaration) relinquish said right by providing the Association with written notice of said relinquishment.

ARTICLE III BOARD OF DIRECTORS

1. Director. The word "director" as sometimes used herein shall mean a person elected to and serving on the board of directors. The board of directors of the Association shall consist of not less than two (2) or more than seven (7) members, as shall from time to time be determined and fixed by the vote of a majority of the voting rights present at any annual meeting of the members, except that the Developer may serve as sole director during the Developer Control Period. Any responsible person, who need not be a member of the Association, shall be eligible to be a director. The first board of directors named in the Articles of Incorporation of the

Association shall hold office until their successors shall have been duly elected and qualified. Each person on the board of directors shall hold office until his successors shall be duly elected and qualified.

2. Removal: Any director may be removed by the vote of the holders of a majority of the voting rights present in person or represented by written proxy at any annual or special meeting of the members of the Association at which a quorum is present.

3. Vacancies: Any vacancy occurring in the board of directors, including vacancies occurring from the removal of a director, may be filled by majority vote of the remaining members of the board of directors at any annual or special meeting.

4. Annual Meetings: The annual meeting of the board of directors shall be held in January of each year at the office of the Association immediately following the annual meeting of the Members. Notice of the place and hour of each such meeting shall be given to each director at least five (5) days prior to each such meeting. Such notice may be given by telephone or other verbal notice.

5. Special Meetings: Special meetings of directors for any purpose may be called by the president or upon the written request of any two (2) directors, upon at least five (5) days notice to each director and shall be held at such place or places as may be determined by the directors, or as shall be stated in the call of meeting. Such notice may be given either in writing, which shall include email or other internet communication, by telephone, or by other verbal communication.

6. Waiver of Notice: Any director may waive notice of a meeting either before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

7. Quorum: A quorum shall consist of the directors entitled to cast a majority of the votes of the entire board of directors. The acts of the board of directors approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the board of directors. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

8. Powers and Duties: The board of directors shall have the following powers and duties:

- (a) All powers and duties enumerated in any Association Document;
- (b) To elect the officers of the Association as hereinafter provided;
- (c) To administer the affairs of the Association and its property;
- (d) To estimate the amount of the annual budget and to make and collect Assessments as provided by the Declaration;

- (e) To use the proceeds of Assessments in the exercise of its powers and duties;
- (f) To maintain, repair, replace, and operate the property of the Association;
- (g) To purchase insurance upon the property of the Association and insurance, including fidelity bond coverage, for the protection of the Association and its members;
- (h) To reconstruct improvements after casualty and to further improve the Association property;
- (i) To make and amend reasonable rules and regulations pertaining to the use of Association property;
- (j) To enforce by legal means the provisions of the Association Documents;
- (k) To retain legal counsel;
- (l) To employ personnel to perform the services required for proper operation of the Association;
- (m) Unless otherwise provided herein, to comply with the instructions of a majority of the members, as expressed in the resolution adopted at any annual or special meeting of the members; and
- (n) To exercise all other powers and duties of the board of directors of a corporation organized under the Alabama Non-Profit Corporation Act, and all powers and duties of the board of directors referred to in these By-Laws, and any other powers and duties consistent with Alabama law.

ARTICLE V OFFICERS

1. Election: At each annual meeting, the board of directors shall elect the officers of the Association, any two (2) or more of which offices may be held by one (1) person, except that the president shall not be the secretary. The officers of the Association shall be as follows:

(a) a president, who shall be a director and who shall preside over the meetings of the board of directors and of the members, and who shall be the chief executive officer of the Association;

(b) a vice president, who shall be a director and who shall, in the absence of disability of the president, perform the duties and exercise the powers of the president;

(c) a secretary, who shall keep the minutes of all meetings of the board of directors and of the members, and the minute book wherein resolutions enacted at such meetings

shall be recorded, and who shall, in general, perform all the duties incident to the office of secretary;

and (d) a treasurer, who shall keep the financial records and books of the account;

(e) all additional officers as the board of directors shall see fit to elect.

2. Powers: The respective officers shall have the general powers usually vested in such officer of a non-profit corporation; provided, however, that the board of directors may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the board of directors may see fit.

3. Term: Each officer shall hold office for the term of one (1) year and until his successor shall have been elected and qualified.

4. Vacancies: Vacancies in any office shall be filled by the board of directors at special meetings therefor. Any officer may be removed at any time by a majority vote of the board of directors at a special meeting thereof.

5. Compensation: The compensation, if any, of all officers shall be fixed by the board of directors.

6. Developer Control: Notwithstanding anything to the contrary contained herein, during the Developer Control Period, (unless the Developer elects to terminate the Developer Control Period and shall do so by notifying the Association of the said election in writing as provided in the Declaration), the Developer shall be entitled to nominate and appoint all directors and officers of the Association and remove the same in the exercise of its absolute and unreviewable discretion. It is the intent of these By-Laws for the Developer to completely control the affairs of the Association until said time referred to above.

ARTICLE V ACCOUNTING MATTERS

1. Accounting Records: The board of directors shall provide for the maintenance of accounting records for the Association, such records to be maintained in accordance with generally accepted accounting principles.

2. Accounts: The board of directors shall cause to be kept a separate account record for each member showing the assessments charged to and paid by such member, and the status of his account from time to time.

3. Records: The board of directors shall cause to be kept a detailed and accurate record in chronological order of the receipts and expenditures of the Association.

**ARTICLE VI
MISCELLANEOUS**


1. Seal: The Association shall not have a seal.
2. Bank Accounts: The board of directors may, from time to time by resolution, authorize the maintenance of one or more deposit accounts by the Association. All checks, drafts of other orders for the payment of money issued in the name of the Association shall be signed by such officer of officers, agent or agents of the Association, and in such manner as shall be determined from time to time by resolution of the board of directors. Initially, the president, who is Gene R. Taylor, shall have the authority to write checks in the name of the Association.
3. Notice: Whenever any notice or demand is required to be given by these By-Laws or the Declaration, any notice or demands so required shall be deemed sufficient if given by depositing the same in person, or depositing the same in the United State mail, postage, prepaid, addressed to the person entitled thereto at his last known post office address according to the records of the Association, and such notice shall be deemed given on the day of such mailing.
4. Waiver of Notice: Whenever any notice whatsoever is required to be given under provisions of any law, or under the provisions of the Articles of Incorporation, or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.
5. Fiscal: The fiscal year of the Association shall end on the last day of December of each year, unless otherwise determined by the board of directors.

**ARTICLE VII
AMENDMENTS**

These By-Laws may be amended or modified from time to time by the vote of a majority of the board of directors, any amendment to be set forth in writing, signed by the Secretary of the board of directors and recorded in the Tuscaloosa County, Alabama, Probate Office. Upon recording, each such amendment shall be effective.

Dated this 18 day of July, 2016.

HIGHGROVE, INC., Sole Director

By: 
Its President

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Recorded: 7/20/2016 12:25:21 PM
W. Hardy McCollum, Probate Judge
Tuscaloosa County, Alabama
Term/Cashier: PRO-RECORDING2/RENEEA
Tran: 928629
Probate Judge Fee \$2.00
Recording Fee - By Page Count \$180.00
Source of Title \$1.00
No Tax Collected
Total: \$183.00