

STATE OF ALABAMA    )

COUNTY OF BALDWIN    )

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DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
GRAND RIVIERA RV RESORT SUBDIVISION

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR**

**GRAND RIVIERA RV RESORT SUBDIVISION**

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STATE OF ALABAMA    )

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
GRAND RIVIERA RV RESORT SUBDIVISION**

KNOW ALL MEN BY THESE PRESENTS, that this Declaration of Covenants, Conditions and Restrictions for Grand Riviera RV Resort Subdivision (the "**Declaration**") is made, adopted, published and declared this \_\_\_ day of May 2023 by Alabama Armada, LLC, an Alabama limited liability company ("**Declarant**");

***RECITALS***

Declarant owns that certain land and improvements comprising Grand Riviera RV Resort Subdivision (the "**Subdivision**") as shown on the Plat (the "**Plat**") dated April 27, 2023, recorded at Slide 2891-DE, Instrument No. 2065289 in the records of the Office of Judge of Probate of Baldwin County, Alabama, on the 24 day of May 2023. A legal description of the Subdivision is attached hereto as Exhibit "A" and is incorporated into this Declaration of Covenants, Conditions and Restrictions by reference. The Subdivision consists of a total of 143 Lots, specifically Lots 1 through 143, and certain common areas (the "**Common Areas**"), all as shown on the Plat. Declarant desires to place certain restrictions, conditions and reservations upon the Subdivision in accordance with a general scheme or plan in order (a) to establish and preserve the Subdivision as a recreational vehicle Subdivision that will accept Class A, B, C and Super C Recreational Vehicles, Fifth Wheels and Travel Trailers (singularly "**RV**" and collectively "**RVs**", none of which may be less than 22 feet in length and to prohibit pop-up campers or folding trailers, (b) to provide for the potential rental of Lots by Declarant on behalf of the Owners, and (c) to provide for the orderly governance of the Subdivision initially by Declarant and eventually by Owners of Lots therein.

NOW THEREFORE, Declarant does hereby declare, establish, and impose the following protective covenants, conditions and restrictions upon the Subdivision, which such covenants, conditions and restrictions, shall be perpetual, shall run with the land, and bind Declarant and its successors and assigns, including all persons who shall acquire any interest in any Lot.

**ARTICLE I**  
**DEFINITIONS**

1.01    "**Assessment**" means a proportionate share of the funds required for the payment of the Common Expenses which from time to time may be levied against each Lot Owner.

1.02    "**Association**" means Grand Riviera RV Resort Subdivision Owners' Association, Inc., an Alabama nonprofit corporation, (sometimes referred to as the "**HOA**") and its successors which is organized under §10A-3-1-101, et seq., Code of Alabama 1975

1.03    "**Board**" means the Board of Directors of the Association.

1.04 *"Buildings"* means two (2) Clubhouses that are full use facilities and one (1) Clubhouse that is a limited use facility, and three (3) bathhouses.

1.05 *"Bylaws"* means the duly adopted Bylaws of the Association, as the same may hereinafter be amended, altered or repealed from time to time. A copy of the initial Bylaws is attached hereto as Exhibit "B" and is incorporated into this Declaration of Condominium by reference.

1.06 *"Certificate of Formation"* means the Certificate of Formation of Grand Riviera RV Resort Subdivision Property Owners' Association, Inc., an Alabama Nonprofit Corporation, as recorded in the records of the Secretary of State of the State of Alabama as the same may hereafter be amended, altered or repealed from time to time.

1.07 *"Common Areas"* means all portions of the Subdivision which is owned or leased by the Association or its Members other than the Lots.

1.08 *"Common Expenses"* means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

1.09 *"Declarant"* means Alabama Armada, LLC, an Alabama limited liability company.

1.10 *"Declaration"* means the Declaration of Covenants, Conditions and Restrictions for Grand Riviera Resort Subdivision.

1.11 *"Eligible Mortgagee"* means any Mortgagee who has submitted to the Association a written request for notice of any proposed action concerning the Subdivision.

1.12 *"Improvement"* shall include any Building, structures, roadways, fences, plantings, planted trees, and other structures of any kind located in the Subdivision.

1.13 *"Lot"* means one of the one hundred forty-three (143) parcels of land as shown on the Site Plan prepared by Lieb Engineering Company issued for review on 1/25/21 last revised 5/13/21.

1.14 *"Lot Owner" or "Owner"* means any Person (including the Declarant) who owns a Lot but does not include a Person having an interest in a Lot solely as security for an obligation.

1.15 *"Member"* means a member of the Association, membership in which is confined to Lot Owners.

1.16 *"Mortgagee"* means any lender holding a mortgage or vendor's lien on any Lot.

1.17 *"Occupant"* means a person or persons in possession of a Lot, regardless of whether that person is the Lot Owner.

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

1.19 "**Plat**" means the design and layout of the Lots, Common Areas and other portions of the Property and shall include the Plat for Grand Riviera RV Resort Subdivision.

1.20 "**Property**" or "**Real Property**" means the Real Property which has been subdivided by recording the Plat for the Grand Riviera RV Resort Subdivision in the Office of the Judge of Probate, Baldwin County, Alabama.

1.21 "**Rules and Regulations**" means those rules and regulations made by the Declarant initially and subsequently subject to amendment by the Board respecting the use and the operation of the Subdivision.

1.22 "**Site Plan**" means that certain Site Plan issued for review on 1/25/21 last revised 5/13/21 prepared by Lieb Engineering Company attached hereto as Exhibit "C".

1.23 "**Subdivision**" means that certain parcel of Real Property that has been or will be subdivided into smaller parcels or Lots by the recording of the Plat for the Grand Riviera RV Resort Subdivision in the Office of the Judge of Probate, Baldwin County, Alabama, for such Lots to be sold to third parties by the Declarant, and the Common Areas of which are to be owned by the Association.

1.24 "**Subdivision Documents**" means this Declaration, Bylaws, Certificate of Formation and all Rules and Regulations adopted by the Association and all Exhibits attached thereto as the same may be amended from time to time.

1.25 "**Turnover**" means the earlier to occur of: (i) Declarant relinquishing control of the Association in a written instrument recorded in the Real Property records of Baldwin County, Alabama; (ii) ninety (90) days after seventy percent (70%) of the Lots in the Subdivision have been conveyed to persons other than Declarant or Declarant's successors or assigns; or (iii) two (2) years after the Declarant, its successors or assigns have ceased to offer Lots for sale in the ordinary course of business, the Bylaws and rules adopted by the Declarant shall govern and the Declarant shall have the exclusive right to appoint, remove, and designate the officers and members of the Board of Directors. Provided, however, in the event of a conflict between the Alabama law and the foregoing, the applicable Alabama law shall control.

1.26 "**Utility Services**" shall include but not be limited to electrical power, water, gas, cable television, garbage and sewage disposal.

## ARTICLE II GENERAL SCHEME OF DEVELOPMENT

2.01 General Applicability of Declaration and Development. This Declaration shall apply to all Lots, Common Areas, streets and easements shown upon the Plat for Grand Riviera RV Resort Subdivision dated April 27, 2023, recorded in the Office of the Judge of Probate, Baldwin County, Alabama, at Slide 2891 D, E at Instrument No. 2065261 on the 24 day of May 2023 and shall apply to any future addition to, extension of or phase of the Subdivision by proper amendment to this Declaration, if such addition or extension shall be made by the Declarant, its successors and/or assigns. This Declaration is further subject to such plat. Under no circumstances shall this Declaration be deemed or construed to apply to any other adjacent portions of property



which are and shall remain the separate property of the Declarant. Generally, the Subdivision is a restricted RV Subdivision Community. The one hundred and forty-three (143) Lots will be owned separately in fee simple and will be for the private use of the separate Owners thereof. The remaining land and the improvements located on the remaining land shall be considered Common Areas and will be owned and maintained by Grand Riviera RV Resort Subdivision Owners Association, Inc. The Common Areas include the roadways within the Subdivision, three (3) clubhouses each with a pool and bath house, Amenity Areas consisting of a pickleball court, a dog run, a small soccer field, a playground, a stormwater detention pond and other land areas. There may also be an extra parking lot identified on the Site Plan as "Parking Lot". No other amenities are anticipated to be built by Declarant, and the Subdivision shall have just one phase.

Each Lot to be conveyed by the Declarant will include a land area and a concrete slab on such Lot and will be for the exclusive use and ownership of the Owner of such Lot. Declarant is not liable to any Owner for the condition of the Lot and the slab and each Owner accepts the same in its "AS IS" condition as to Declarant.

### ARTICLE III EASEMENTS

3.01 Declarant's Blanket Easement. Easements are also reserved to the Declarant throughout the Subdivision for its reasonable purposes.

3.02 Association's Blanket Easement. Easements are reserved to the Association for access over and to each Lot throughout the Subdivision for its reasonable purposes, including, without limitation, an easement over Lots to inspect the same, to remove violations therefrom, to discharge its obligations, and to maintain, repair or replace the Common Areas.

3.03 Utilities and Drainage Easements. Easements are reserved throughout the Subdivision as may be required for Utility Services and drainage in order to adequately serve the Subdivision. Each Lot shall have an easement as may be required to drain the Subdivision adequately. Each Lot Owner shall have an easement in common with the Lot Owners of all other Lots to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Areas located in any of the other Lots and serving his Lot. Each Lot shall be subject to an easement in favor of the Lot Owners of all other Lots to use all pipes, ducts, cables, wires, conduits, public utility lines and other Common Areas serving such other Lots and located in such Lot.

3.04 Support. Each Lot shall have an easement of support and of necessity and shall be subject to an easement of support and of necessity in favor of all other Lots and Common Areas.

3.05 Access. Each Lot Owner shall have an easement to and from such Owner's Lot to and from the Common Areas for pedestrian traffic over, through, and across sidewalks, walks, walkways and lanes, and passage ways, as the same may from time to time exist in the Common Areas; and for vehicular ingress and egress over, through and across such portions of the Common Areas as may from time to time be paved and intended for such purposes, but the same shall not give or create in any Person the right to park on any portion of the Common Areas.

3.06 Access Easement to and from Shared Parking Lot. For so long as Declarant owns any portion of the Subdivision and notwithstanding Declarant has relinquished control of the Association, Declarant, its successors and assigns, may, at any time and acting on behalf of the Association, grant a non-exclusive easement in favor of the owner of the parcel located immediately adjacent to the north of the Subdivision shown as Lot 5-B of Grand Riviera Phase 1 as shown Slide 2888-A & B on the Plat ("Lot 5-B") providing vehicular access from Lot 5-B onto the private roadway allowing entry to the parking lot as shown on the Site Plan, the legal description of the parking lot being attached hereto and made a part hereof as Exhibit "D". In the event Declarant elects to do so, Declarant shall also have the right to contemporaneously acting on behalf of the Association to enter into a Shared Parking agreement in a form mutually acceptable to the Declarant and the owner of Lot 5-B. Such Shared Parking Agreement shall be assignable to the Association at the sole discretion of the Declarant. In connection therewith, Declarant shall also have the right to construct a curb cut allowing vehicular access to the Property at a location as designated in the sole discretion of Declarant.

3.07 Lease for Office Space. For so long as Declarant owns any portion of the Subdivision and notwithstanding Declarant has relinquished control of the Association, Declarant, its successors and assigns, shall have the right at any time to lease from the Association the office space consisting of approximately ninety (90') square feet along with all of the "Useable Areas" of the building's floor plan as shown on Exhibit "E" attached hereto and made a part hereof that shall be available for the exclusive use of Declarant's personnel, materials, furniture, fixtures and equipment. The term of such lease shall be for a period of ten (10) years but may be terminated at the election of Declarant at any time upon written notice to the Association. The amount of rent shall be one dollar (\$1.00) for each twelve (12) month period. In no event shall Declarant be responsible for the cost of taxes, maintenance of any nature for the building or common areas or property and casualty insurance on the leased building or on the Common Areas.

#### ARTICLE IV LOT OWNERSHIP AND COMMON AREAS

4.01 Lots. Each Lot is assigned a number. The legal description of each Lot shall consist of the identifying number as shown on the Plat, the name of the Subdivision, and Slide Number where the Plat is recorded in the Office of the Judge of Probate of Baldwin County, Alabama. All of the Lots have approximately the same area of land.

4.02 Lot Ownership. Each Lot Owner shall be entitled to the exclusive ownership and possession of his Lot, which shall be owned in fee simple. Each Lot Owner shall have the unrestricted right of ingress and egress to his Lot, which right shall be an appurtenance to his Lot. Each Lot Owner is subject to all the rights and duties assigned to Lot Owners under the terms of the Subdivision Documents. The Declarant shall enjoy the same rights and shall have the same duties (as any other Lot Owner) with respect to Lots owned by the Declarant.

4.03 Common Areas. The Common Areas include all portions of the Subdivision which is owned or leased by the Association or its Members other than the Lots. No other amenities are anticipated to be built by Declarant. All tangible personal property required for the maintenance and operation of the Subdivision and for the common use and enjoyment of the Lot Owners shall also be

considered to be Common Areas. The Common Areas are owned by the Association. No Lot Owner shall bring any action for partition or division of the Common Area.

4.04 Use of Common Areas. Each Lot Owner shall have the right to use the Common Areas in conjunction with the Owners of other Lots as may be required for the purposes of access, ingress to, egress from, use, occupancy, and enjoyment of the Subdivision. The right to use the Common Areas shall be subject to and governed by the provisions of the Subdivision Documents, and the Rules and Regulations of the Association. In addition, the Association shall have the authority to lease, grant concessions, or grant easements with respect to parts of the Common Areas subject to the provisions of the Declaration and Bylaws.

4.05 Title to Common Areas. The Declarant has or will convey the Common Areas, or any part or parts thereof, including without limitation the stormwater detention pond area by quitclaim deed to the Association, subject to all restrictions and limitations of record and to all additional restrictions and covenants set forth in the deed of conveyance. The Association shall be required to accept such conveyance of the Common Areas and shall, after such conveyance, immediately become responsible for all maintenance, operation and such additional construction of improvements as may be authorized by the Association's Board of Directors subject to this Declaration. The Common Areas shall be also conveyed subject to all easements and restrictive covenants of record at the time of conveyance and the rights that others may have to use certain Common Areas.

#### ARTICLE V PERMITTED USE AND RESTRICTIONS

In addition to all of the covenants contained herein, the use of the Subdivision and each Lot therein is subject to the following:

5.01 Improvements and Use. Except as expressly provided herein, the Lots shall be used exclusively for the parking and use of Class A, B, C and Super C RVs, Fifth Wheels and Travel Trailers none of which may be less than 22' in length. Pop-up campers or folding trailers shall not be allowed. The construction or maintenance of permanent residential structures on the individual Lots is prohibited. Permanent residential occupancy is hereby prohibited. "Permanent" as used herein shall mean continuous occupancy of a RV on a Lot by a person that extends more than one hundred and eighty (180) consecutive days or such shorter period as may be proscribed by any laws or ordinances restricting permanent occupancy on the Property. Lot Owners, their guests, successors and assigns, are prohibited from erecting, placing, or keeping on any Lot any permanent or semi-permanent structure or any vehicle that is designed as permanent living quarters, which prohibited structures do include, without limitation, the following:

- a. permanent screened rooms, carports, awnings, fences, pools, Jacuzzis, spas, bathing facilities, satellite dishes, sporting equipment, animal shelters, gates, clotheslines, or any type of permanent extended overhang;
- b. mobile homes and park models;

- c. any structure that cannot be readily transported by the RV of the Owner of the Lot;
- d. any structure placed on the Lot on blocks, or other supports which are permanent or semi-permanent in nature or any structure with removed hitches;
- e. any structure or plumbing or electrical facilities (other than plumbing and electrical facilities installed by Declarant or the Association) not intended to be temporary or readily movable; and
- f. any structure designated, intended or used as permanent living quarters or a primary residence.

The provisions of this Section 5.01 do not prevent the erection of gazebos, utility buildings, permanent outdoor kitchens designed by the architect designated by the Board of Directors, tables, benches, and grills; however, no personal property except as provided in the immediately preceding clause shall be permitted to remain where it can be seen by other Owners or visitors to the area, except when the Lot is actually in use. This requirement shall not apply to any permissible vehicle which may be allowed to remain on a Lot even though not in use for a maximum period of six (6) months from the date last used for occupancy. Notwithstanding anything contained to the contrary in this Section 5.01 or otherwise in this Declaration, Declarant may use any Lots owned by Declarant, including without limitation, the Declarant's Lots, to maintain reasonable construction, sales, leasing operations, and marketing of the Development and related uses, and no Owner or Lessee shall be entitled to use its Lot in any manner that unreasonably interferes with such rights of the Declarant.

5.02 Animals. No animals of any kind shall be raised, or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose, nor in violation of any applicable local ordinance or any other provision of this Declaration. A "reasonable number" shall mean two (2) or fewer pets per Lot. If any animal is not confined within the RV, the animal must be leashed and under direct control of its owner. No dogs shall be tethered or tied up outside an RV. The following breeds shall not be allowed in the Subdivision: Pit bull, Rottweiler, Chow, Presa Canario, Akita, Doberman Pinscher, Staffordshire Terriers, Bull Dogs, Wolf and Wolf hybrids, and or any mixed breed dog that may have any of these aforementioned blood lines or other dogs reputed to be hostile breeds. No potbellied pigs or venomous or constricting snakes may be brought into the Subdivision. A pet owner shall have the absolute duty and responsibility to clean up any solid animal waste after such animals have used any portion of the Subdivision or any public property in the vicinity of the Subdivision. Pets are not allowed in the pool area or in the Amenity Areas. No pet shall be permitted to be kept within any portion of the Subdivision if it makes excessive noise or is otherwise determined by the Board to be a nuisance. If any pet is determined to be a nuisance in the sole discretion of the Board, the Board may give notice to the responsible party to resolve the offending problem within seventy-two (72) hours, and if such party does not resolve the problem during that period of time, order the removal of such pet(s).

5.03 Commercial Activities. The Lots are to be used for recreational purposes only, and no part of the Subdivision and no Lot shall be used in any way for any business, professional, commercial, manufacturing, mercantile, storing, vending, industrial, or other non-recreational purpose.

Notwithstanding the foregoing, Declarant may use Declarant's Lots and the Common Areas to maintain reasonable construction, sales, resales, commercial, and rental operations. This provision may not be amended or deleted without the approval of all of the Members and of the Declarant.

5.04 Rental of Lots. Owners may rent their Lots subject to the other provisions of this Declaration; however, no Owner shall engage a rental management company or agent to provide rental management services other than Declarant or Declarant's designee if at the time of such engagement Declarant or Declarant's designee is providing rental managing services. The provisions of this subparagraph 5.04 may not be amended without Declarant's prior written consent or after the Declarant has turned over the Association by the affirmative vote or agreement of the Lot Owners of at least eighty percent (80%) of the Lots.

5.05 Utility Service. Except for temporary hook-ups between RVs and permanent utility outlets, no lines, wires or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any Lot unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under, or on buildings or other structures approved in writing by the Board. All temporary utility outlets shall be installed and maintained in accordance with applicable provisions of the Rules and Regulations. No provision hereof shall be deemed to forbid the erection of the temporary power or telephone installations incident to the construction of approved buildings or structures.

5.06 Nuisance. No noxious, illegal or offensive activity shall be carried out on or upon any Lot or any part of the Subdivision, nor shall anything be done thereon which is or may become an annoyance or nuisance, public or private, to the Subdivision, or which shall in any way interfere with the quiet enjoyment of each of the Owners of their respective Lots, or which shall in any way increase the rate of insurance for the Association or for the Owners of Lots and RVs. Each Owner shall comply with all local, state and federal regulations that may govern the use and occupancy of RVs.

5.07 Outside Antennas. There shall be no outside television or radio antennae, satellite dish, poles or flag poles constructed or maintained on any Lot or the Common Area for any purpose without the prior written approval of the Board.

5.08 Signs. No signs, including, without limitation, 'for sale' or 'for rent' signs, shall be displayed on or from any Lot, RV (whether inside or outside), equipment, or real or personal property of any sort located on any Lot. No signs shall be displayed on or from any Common Area except signs approved by the Board. Nothing in this Section 5.08 shall be deemed to prevent or limit Declarant's ability to erect signs for purposes of advertisement or identification as it deems necessary or limit Declarant's signage rights.

5.09 Equipment and Machinery. No hobby shops, RV or car maintenance (other than emergency maintenance) shall be permitted on the Property except with prior written approval of the Board. No equipment, machinery, junk, debris, building materials, or similar matter shall be placed, stored or kept in or on any Lot, parking area or street within or adjoining the Property.

5.10 Laundry. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot. No washing machine or dryer shall be kept on any Lot, except within an RV.

5.11 Propane Tanks. Only propane tanks used in connection with barbecue grills and RVs, which are standard equipment, shall be permitted on any Lot, provided such tanks are in compliance with all applicable codes and laws.

5.12 Maintenance of Lawns, Plantings and Landscape. All Lots, landscaping, driveways, and exteriors must be kept neat, sanitary, tidy, and attractive at all times. No landscape trimmings shall be placed for removal on or near any road within the Property or in a place upon the Lot where they are visible from any other Lot or the Common Area. All landscape trimmings shall be disposed of in the same manner provided for disposition of other trash. In the event any Owner supplements or enhances the landscaping of any Lot, the Owner shall be required to maintain the Lot in the enhanced or supplemented state.

5.13 Outside Installations. No outside installations of any type, including, but not limited to, radio antennas, clotheslines, fences, and flagpoles shall be constructed or maintained on any Lot unless with the prior written consent of the Board. Reasonable outside installations which are constructed as part of the authorized RV shall be permitted. It shall be within the Board's sole discretion to determine whether any such outside installation is unreasonable.

5.14 Vehicle Parking. Only one (1) RV and two (2) other vehicles (automobile, truck, motorcycle, golf cart, etc.) shall be parked or maintained on any Lot. Box trucks or Moving Van rental-type trucks, or commercial delivery type trucks shall not be allowed to park on the Property at any time. Parking of boats or boat trailers on a Lot shall be prohibited. No RV, truck, automobile, or any other type of motor vehicle, may be washed, cleaned or polished anywhere on the Property except on an Owner's Lot. Only Lot Owners may be allowed to wash RVs or any other type of motor vehicle on their Lot.

5.15 Re-Subdivision. No Lot shall be re-subdivided nor shall less than an entire Lot be sold.

5.16 Improvements. No Improvements shall be installed, situated, placed, erected, or planted on any Lot without the prior written consent of the Association unless otherwise specifically allowed elsewhere in this Declaration. The foregoing shall not require Association consent for (a) a bird bath if consistent with the guidelines for such as established by Declarant; or (b) the painting of a slab in colors approved by Declarant.

5.17 Taxes. Each Owner shall pay when due, before delinquency, all taxes, Assessments, levies, fees and all other public charges and utility fees and charges of every kind and nature imposed upon or assessed against an Owner's Lot.

5.18 Rules and Regulations. The Board may adopt, publish, and, from time to time, amend Rules and Board the purpose of implementing, enforcing and administering the purposes of this Declaration.

5.19 Hazardous Substances. No activity will be permitted on any Lot or the Common Area that, in the sole opinion of the Board, will create or emit offensive, hazardous or excessive quantities of dust, dirt, ash, smoke, noise, fumes, odors or vibrations, or create risk of fire, explosion or other hazards or is not in harmony and consistent with the Property. Activities prohibited hereunder, include, but are not limited to activities which result in the disposal of Hazardous Substances in any form upon the Property. For the purposes of this Declaration the term "Hazardous Substance" shall mean any product, substance, chemical, material or waste whose presence, nature, quantity or intensity of existence, use, manufacture, disposal transportation spill, release or effect, either by itself or in connection with other materials expected to be found upon any Lot, is either: (a) potentially injurious to the public health, safety or welfare, the environment or the Property; (b) regulated or monitored by any governmental authority; or (c) a basis for liability of Declarant or any Owner to any governmental agency or third party under any applicable state or common law property.

5.20 Electrical Meter and Telephone Service. Electrical and, if desired by an Owner, telephone service to each individual Lot will be metered and billed by the providing company to each Owner, and each Owner shall be responsible for the connection of such services.

5.21 No Drilling or Wells. No derrick, windmill, pump or other structure designed for use in boring, mining, or quarrying for oil, natural gas, or previous minerals shall be erected, maintained, or permitted upon any portion of the Property. No private water well or other independent water supplies or facilities, windmill, pump, or other structure for furnishing water shall be constructed or maintained on any portion of the Property except as originally constructed on the Property.

5.22 No Private Sewers or Septic Systems. No private sewer system, septic tank, leach field, or other system of solid waste disposal, excluding the sewer system installed by or on behalf of Declarant for the Development, shall be constructed, built, or used.

5.23 No Permanent Residential Use. No Lot shall be continuously occupied as a full time or permanent residence without approval on an annual basis by the Association or onsite park manager, as the case may be.

5.24 Limit on Occupants. In no event shall any Lot or RV parked thereon have more than six(6) occupants for more than seven (7) consecutive days or for more than thirty (30) days in any forty-five (45) day period.

5.25 Condition of RV. All RV's shall be in operable and attractive condition so as not to detract from the aesthetics of the Subdivision. Any RV older than fifteen (15) years measured from January 1 of the model year shall be allowed on a Lot with the approval and inspection by the Association or the property management company as the case may be.

5.26 Trash Pick-Up. The Association shall arrange for regular trash pick-up and publish guidelines for the disposal of same by the Lot Owners, and the Lot Owners must comply with such guidelines.

5.27 Fencing. No Lot may be fenced.

**ARTICLE VI**  
**COVENANTS FOR ASSESSMENTS**

6.01 Creation of the Lien and Personal Obligations for Assessments. Each Owner, by acceptance of a deed to a Lot, whether or not it should be so expressed in such deed, shall be obligated and hereby covenants and agrees to pay to the Association (or to an independent entity or agent designated by the Association to hold such monies), in the manner set forth herein:

- a. Annual Assessment (Regular) or charges levied each year by the Association;
- b. Special Assessments for capital improvements, such Assessments to be established and collected as hereinafter provided; and,
- c. Individual Assessments which may be levied against any Lot and the Lot Owner thereof as a result of such Owner's or Occupant's failure to comply with the terms of these Covenants. Notwithstanding the foregoing, Lots owned by Declarant shall not be subject to any Assessment by the Association, be it Annual (Regular), Special or Individual Assessments.

The Annual (Regular), Special, and Individual Assessments, together with interest, late charges, costs and reasonable attorneys' fees, shall also be a charge on each Lot and shall be a continuing lien upon each Lot against which such Assessment is made, which lien may be enforced in the manner hereinafter provided and/or as provided by laws of the State of Alabama. Each such Assessment, together with interest, late charges, costs and reasonable attorneys' fees shall also be the personal obligation of the person(s), jointly and severally, who was or were the Owner(s) of such Lot and improvements thereon at the time when the Assessment became due. In the case of co-ownership of a Lot, all of such co-owners shall be jointly and severally liable for the entire amount of the Assessments, interest, penalties, fines and costs of collection.

6.02 Purpose of the Assessments. Notwithstanding any provision contained herein, until such time that the Declarant has in fact conveyed to the Association all of the Common Areas which includes all Buildings, all assessments of any nature provided for herein shall be due and payable to the Declarant, its successors and/or assigns, and all rights hereby established on behalf of the Association, including all remedies in the event of default by a Lot Owner, shall accrue to the benefit of the Declarant. The assessments levied by the Declarant shall be used exclusively for the operation of the Association and the management, repair, care and maintenance of the Common Areas and any improvements constructed thereon, which are for the benefit of all Lot Owners, and to provide all services which the Association is authorized to provide hereunder; including, but not limited to, payment of taxes and insurance, costs of labor and equipment, erosion control devices, materials, management, bookkeeping and Lot Owner information services, repayment of loans and such other action as is necessary to carry out its authorized functions. Such assessments shall not be used to maintain or repair any property not belonging to the Association. At the Board of Directors' discretion, the Association may establish and maintain a reserve fund with such sums as the Board of Directors determines in good faith are necessary and adequate for



the periodic maintenance, repair, and replacement of improvements to the Common Area which includes any Building (the "Reserve Account").

Notwithstanding the foregoing, the following property, individuals, partnerships or corporations subject to these Covenants, shall be exempted from assessments, charges and liens created herein: (i) the Declarant and any Lots(s) owned by the Declarant; (ii) the Grantee in conveyances made for the purpose of granting utility and drainage easements; (iii) the Common Areas; and (iv) property which is used in the maintenance and service of facilities within Common Areas, or by non-profit, governmental or charitable institutions.

6.03 Annual (Regular) Assessments. The Association shall levy Annual (Regular) Assessments in such amounts as are necessary for the maintenance, repair and replacement (as applicable) of any improvements located on the Common Areas, insurance, any Reserve Account, and any and all other expenses of the Association (whether pertaining to the ownership, operation, use, maintenance, repair or replacement of the Common Areas or otherwise), each Owner for each Lot owned shall pay a portion of the total amount necessary for such purposes to the Association. Basic cable, internet and phone service (collectively "bulk services") shall be exclusively provided by the Association, which shall be bulk-billed and included in the annual budget, thereby a part of the Annual Assessment. Unless otherwise provided by the Board of Directors, Annual (Regular) Assessments shall be due and payable on a pro rata basis which shall commence annually, on a date as determined by the Board of Directors and shall be payable in either annual, quarterly or monthly installments, as also determined by the Board of Directors. The amount of the Annual (Regular) Assessment assessed against each Lot Owner as provided herein, shall be assessed in its entirety by the Association as a lien at the beginning of each Annual Assessment period.

6.04 Special Assessments. In addition to the Annual (Regular) Assessments authorized above, the Board of Directors may levy against the Lot Owners, at any time, one or more Special Assessments for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, any entrance wall or signage, including fixtures and personal property related thereto, any additions to the Common Areas, facilities and equipment required to offer the services authorized herein, or, for the repayment of any loan made to the Association to enable it to perform the duties and functions authorized herein. The proportion of each Special Assessment to be paid by the Lot Owners shall be equal to their respective proportions of the Annual (Regular) Assessments made for the year during which such Special Assessment(s) are levied.

6.05 Date of Commencement of Annual Assessments. Notwithstanding anything in the foregoing to the contrary, the Annual (Regular) Assessment provided for herein shall commence on the date on which a deed to a Lot is delivered to an individual other than the Declarant. The Board of Directors shall fix the amount of the Annual (Regular) Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the annual Assessment shall be sent to every Lot Owner subject thereto. The Board of Directors shall determine if Annual and Special Assessments will be collected annually, quarterly, monthly, or at some other interval and shall set due dates for Assessment payments. If the Board of Directors does not fix an Annual Assessment in advance of any Annual Assessment period, the Annual Assessment for the period will be the same as for the prior period until the Board fixes a new Annual Assessment amount.

6.06 Individual Assessments. Any expenses incurred by the Association in enforcing any of the provisions of this Article VI against any specific Lot Owner or Occupant or Occupant of Lot Owner shall be deemed an Individual Assessment or fine against such Lot Owner and the respective Lot owned by such Owner. Such Individual Assessment or fine shall be levied by the Association and shall be specified in a notice to the Owner, which notice shall also specify the due date for payment of the same. Said Individual Assessment, together with interest, late charges, costs and reasonable attorneys' fees, shall be a continuing lien upon each Lot beginning on the date assessed, and which lien may be enforced in the manner hereinafter provided and/or as provided by laws of the State of Alabama.

6.07 Effect of Nonpayment of Assessments; Liens; and Remedies of the Association. Any Assessments (whether Annual (Regular), Special or Individual) which are not paid on or before the due date of the same shall bear interest thereon at a rate to be set by the Board of Directors but in no event greater than the maximum percentage rate as may then be permitted under the laws of the State of Alabama. In addition to interest, any Assessments not paid by the due date for the same shall be subject to a late charge which the Board of Directors may from time to time establish. In the event any Assessments or other amounts due to the Association are not paid by any Owner when the same comes due, then, in addition to all other rights and remedies provided at law or in equity, the Association, acting through its Board of Directors or through any of its duly authorized officers or representatives, may undertake any of the following remedies:

a. The Association may commence and maintain a suit at law against any Lot Owner for a personal money judgment, or seek injunctive relief, to enforce all such charges and obligations for Assessments or fines and other amounts including the late charge and interest specified above as well as all attorneys' fees, court costs and all other costs and expenses paid or incurred by the Association in connection therewith; and/or,

b. The Association may enforce the lien created herein against each Lot in the amount of all Assessments or fines outstanding against such Lot (the "Assessment Lien"). Interest, costs, and reasonable attorneys' fees of any action brought by the Association in respect of an Assessment and/or the Assessment Lien applicable to such Assessment shall be added to the amount of such Assessment and shall be secured by the Assessment Lien. Each such Owner, by his acceptance of a deed to or other conveyance of an interest in a Lot, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of each Assessment as a debt and to foreclose the Assessment Lien by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien with a power of sale on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with the Assessment Lien. The Assessment Lien may be foreclosed by the Association in the same manner as real estate mortgages with a power of sale in the State of Alabama. The Association shall have the power to bid for an interest foreclosed under an Assessment Lien at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. No Owner may waive or otherwise escape liability for the Assessments by non-use of the Common Area or abandonment of said Owner's Lot. The Board of Directors may also suspend the use rights of any Owner of the Common Area in the event of a failure to pay any Assessment within thirty (30) days of the applicable due date. Furthermore, and without limiting any rights of the Association or Declarant

hereunder, the Association shall have the right to transfer, assign and convey to any third party any debt associated with any unpaid Assessments and the Assessment Lien that is associated therewith.

6.08 Lien Rights under the HOA Act. The lien rights granted and reserved to the Association in accordance with this Article herein shall be in addition to, and shall not be in lieu of, the lien rights that are granted to the Association by §35-20-12, CODE OF ALABAMA 1975, more commonly referred to the Alabama Homeowners' Association Act (the "HOA Act"). The Association shall have the right, exercisable by the Board of Directors in its sole and absolute discretion, to elect from time to time whether to establish, record, enforce, foreclose or otherwise treat a lien against an Owner's Lot as being (a) an Assessment Lien granted and reserved in accordance with these Covenants or (b) a lien granted to the Association by §35-20-12 of the HOA Act. Any lien granted to the Association by §35-20-12 of the HOA Act and sought to be enforced by the Association shall be enforced in accordance with the terms and conditions of the HOA Act.

6.09 Election of Remedies. Institution of a suit at law to collect payment of any delinquent Assessments shall not be deemed to be an election by the Association or Declarant which shall prevent it thereafter from seeking enforcement of the collection by foreclosure of any sums remaining owing to it, nor shall proceeding by foreclosure to affect such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to the Association. The Association shall be entitled to bid at any sale held in connection with the foreclosure of the Assessment Lien and may apply as a cash credit against its bid all sums secured by the lien enforced.

6.10 Subordination of the Lien to Mortgages. The Assessment Lien shall be subordinate to the lien of any first mortgage on a Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the Assessment Lien associated therewith or relieve the prior Owner from any personal liability for any unpaid Assessments occurring prior to said sale or transfer.

6.11 Estoppel Letter. The Association shall, within thirty (30) days after receiving a written request therefore and for a reasonable charge, as established by the Board of Directors, certify to the amount of any unpaid Assessments constituting a lien on a specified Lot. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of Assessments due with respect to a Lot shall be binding upon the Association.

## ARTICLE VII THE ASSOCIATION

7.01 Name. The name of the Association shall be Grand Riviera RV Resort Subdivision Owners' Association, Inc.

7.02. Powers and Duties. The operation and administration of the Subdivision shall be by the Association of the Lot Owners. The Association shall be a not-for-profit Alabama corporation incorporated by Certificate of Formation recorded in the office of the Secretary of State of the State of Alabama. The Association shall be an entity which shall have the capability of bringing suit and being sued with respect to the exercise or non-exercise of its powers. The Association shall have exclusive

authority and power to maintain a class action and to settle a cause of action on behalf of Lot Owners with reference to the Common Areas, the roof and structural components of the Buildings or other improvements, and mechanical, electrical and plumbing elements serving improvements or the Buildings as distinguished from mechanical elements serving a single Lot and with reference to any and all other matters in which all the Lot Owners have a common interest. The Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association to perform its authorized functions. The Association shall have all the powers and duties granted to or imposed on it under the Bylaws and other Subdivision Documents as they may be amended from time to time. The Association is specifically authorized to enter into agreements by which its powers and duties, or some of them, may be exercised or performed by some other Person. The Association shall have a reasonable right of entry upon any Lot for its reasonable purposes and further, shall have the right to grant permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Subdivision. The Board shall have the authority and duty to levy and enforce the collection of general and specific Assessments for Common Expenses and is further authorized to provide adequate remedies for failure to pay such Assessments.

7.03 Members. Each Lot Owner shall be a Member of the Association so long as he is a Lot Owner. A Lot Owner's membership shall immediately terminate when he ceases to be a Lot Owner. The membership of a Lot Owner cannot be assigned or transferred in any manner except as an appurtenance to his Lot.

7.04 Voting Rights. Each Lot shall be entitled to one (1) vote, which vote is not divisible. The vote for a Lot shall be cast by the Lot Owner thereof in the manner provided for herein and in the Bylaws. However, should the Association be a Lot Owner, it shall not have the voting right for that Lot.

7.05 Designation of Voting Representative. In the event a Lot is owned by one (1) Person, his right to vote shall be established by the record title to his Lot. If a Lot is owned by more than one (1) Person, the Person entitled to cast the vote for the Lot shall be designated by a certificate signed by all of the record Lot Owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a corporation, partnership or limited partnership, the officer, employee or individual entitled to cast the vote for the Lot shall be designated by a certificate of appointment signed by the president or vice-president and attested by the secretary or assistant secretary of the corporation (in the case of a corporation) or by the general partner or partners if more than one (in the case of a partnership or limited partnership), which certificate shall be filed with the Secretary of the Association. If such a certificate is not on file with the Secretary of the Association for a Lot owned by more than one (1) Person or by a corporation, partnership or limited partnership, the membership or vote of the Lot concerned may be cast as determined by the Board. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot concerned is affected. A certificate designating the Person entitled to cast the vote of a Lot may be revoked by any Lot Owner thereof.

7.06 Restraint upon Assignment of Shares in Assets. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his Lot.

7.07 Board of Directors. The affairs of the Association shall be conducted by a Board of Directors which shall consist of such number not fewer than three (3) nor more than five (5) as shall, from time to time, be determined and fixed by a vote of a majority of the voting rights present at any annual meeting of the Members.

7.08 Indemnification. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, or any settlement thereof, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

7.09 Limitation of Liability. Notwithstanding the liability of the Association to maintain and repair parts of the Property, the Association shall not be liable for injury or damage caused by a latent condition of the Property to be maintained and repaired by the Association nor for injury or damage caused by the elements, or other Lot Owners or Persons.

7.10 Bylaws. The Association and its Members shall be governed by the Bylaws.

7.11 Period of Declarant's Control of Association and Other Special Declarant Rights. Until the earlier of (i) ninety (90) days after conveyance of seventy percent (70%) of the Lots in the Subdivision have been conveyed to persons other than Declarant or Declarant's successors or assigns; or (ii) two (2) years after the Declarant, its successors or assigns has ceased to offer Lots for sale in the ordinary course of business, the Bylaws and rules adopted by the Declarant shall govern and the Declarant shall have the exclusive right to appoint, remove, and designate the officers and members of the Board of Directors, and neither the Lot Owners nor the Association nor the use of the Subdivision by Occupants of Lots shall interfere with the completion of the contemplated improvements or the sale of the Lots. The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board but, in that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. Not later than the termination of any period of Declarant control, the Lot Owners shall elect a Board of at least three (3) members.

The Declarant may make such use of the unsold Lots and of the Common Areas as may facilitate such completion and sale, including but not limited to showing of Lots and the display of signs. The Declarant may maintain sales offices and models on any Lot or on or in the Common Areas (including in all three (3) clubhouses). The Declarant shall be permitted to relocate said sales offices and models from one Lot location to another or from one area of the Common Areas to another area of the Common Areas in the Subdivision. The Declarant may maintain signs on the Common Areas advertising the Subdivision. The rights of the Declarant as provided for in this paragraph shall cease and

terminate ten (10) years from the date of the recording of this Declaration in the office of the Judge of Probate of Baldwin County, Alabama.

7.12 Transfer of Authority. This Declaration provides the Declarant with various controls and rights, to be exercised (if at all) at the sole discretion of the Declarant. This Declaration further provides that any of the Declarant's rights and powers set forth herein may be specifically assigned to the Association.

In the event that such powers are assigned of record to the Association, the Association shall promptly provide for appropriate procedures to perform its obligations pursuant to the power transferred to it.

7.13 Contracts. Declarant, on behalf of the Association, may enter into such management contracts, employment contracts, or other contracts or agreements as Declarant may deem appropriate. Such contracts may be entered into with independent third parties and/or with affiliates of Declarant. Such contracts shall continue until the Turnover occurs. At such time the Association shall elect to continue or to terminate the contract(s).

7.14 Availability of Records. The Association shall keep such financial records as are customary for property owners association along the Alabama Gulf Coast. The Association shall make reasonably available in Baldwin County, Alabama, for examination by Lot Owners, prospective purchasers, first Mortgagees and insurers and/or guarantors of first mortgages of any Lot, or their authorized agents, current copies of the Declaration, Bylaws, Rules and Regulations and other books, records, financial statements and the most recent annual financial statement of the Association. "Reasonably Available" shall mean available for inspection upon request, during normal business hours or under reasonable circumstances. Any Eligible Mortgagee shall have the right to have prepared at its expense an audited financial statement of the Association.

7.15 Reserve Fund and Working Capital Fund.

A. Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the replacement of improvements to the Common Areas which the Association is obligated to maintain. The fund shall be maintained out of Regular Assessments for Common Expenses.

B. Working Capital Fund. The Association shall also have a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services. The Purchase Agreement for any Lot (in connection with the original sale of any Lot by the Declarant) shall require the Purchaser thereunder to pay to the Association at closing a sum equal to a two-month installment of Assessments as a non-refundable contribution to the initial working capital fund, which payment shall not be considered as advance payments of Regular Assessments. The working capital fund shall be transferred to the Association for deposit into a separate account when control of the Association is transferred to the Lot Owners. The Declarant is prohibited from using working capital funds to defray any of the Declarant's expenses, reserve contributions, or construction costs or to make up any budget deficits while the Declarant is in control of the Association.

**ARTICLE VIII**  
**MAINTENANCE AND UTILITY SERVICES**

8.01 Maintenance Obligation of Owners. It shall be the duty of each Owner at its sole cost and expense to maintain, repair, replace, restore including any maintenance, repairs, replacement or restoration required as a result of any damage or destruction of an Owner's Lot by casualty or otherwise. All planted bushes, shrubbery, trees, etc. located on such Owner's Lot shall be kept and maintained in a neat, sanitary and attractive condition in accordance with the Rules and Regulations of the Association and this Declaration. If any Owner shall permit any of the aforesaid plantings to fall into disrepair or to become unsafe, unsightly, or unattractive, or otherwise in violation of this Declaration, the Association shall have the right to seek any remedies at law or in equity it may have. In addition, the Board shall have the right, but not the duty, if such unacceptable maintenance is not corrected within ten (10) days of written notice from the Association, or such longer period if reasonably necessary under the circumstances provided the Owner is diligently pursuing such maintenance, or such shorter period as the Association shall reasonably determine under the circumstances to be appropriate, to enter upon such Owner's Lot and make such repairs and perform such maintenance and charge the reasonable costs thereof to Owner. Such costs shall be enforced, including penalties, fees, and costs, as an Assessment against the Lot pursuant to Article VI.

8.02 Maintenance by the Association and Utility Services. The Association is responsible for maintenance, repair, and replacement of the Common Areas and maintaining the lawn area of each Lot but is not responsible for any trees, bushes, shrubbery, etc. on any such Lot. The Association shall pay all water and sewer bills and may regulate water usage and shall be responsible for basic cable television service provided to the Subdivision. The Association shall also provide for regular garbage pickup.

8.03 Addition, Alteration and Improvement of the Common Areas. After the completion of the improvements included in the Common Areas which are contemplated by this Declaration, there shall be no addition, alteration, change, or further improvement of Common Areas without prior approval of the Association.

8.04 Lot Owner's Covenants. Each Lot Owner covenants and agrees as follows:

A. To perform all maintenance, repairs, and replacements that are the Lot Owner's obligations under this Declaration.

B. To pay for all the Lot Owner's electrical and telephone services used within the Lot and all taxes levied against the Lot Owner's Lot.

C. Not to make, or cause to be made, any repairs to any plumbing or electrical system located outside the Lot Owner's Lot but required to be maintained by the Lot Owner pursuant to the provisions hereof, except by licensed plumbers or electricians authorized to do such work by the Association or its property manager.

D. Not to make any addition or alteration to a Lot or to the Common Areas or to do any act that would impair the structural soundness or safety of any part of the Subdivision. Structural alterations within a Lot may be made only with the written consent of the Association.

E. To make no alterations, additions, improvements, repairs, replacements, or changes to the Common Areas except as specifically allowed by the provisions of this Declaration or without the prior written consent of the Association. If consent is granted, the Lot Owner shall use only a licensed contractor with respect to the work which may be adopted by the Association. The Lot Owner shall be liable for all damages to another Lot and to the Common Areas caused by any contractor employed by such Lot Owner or by the subcontractor or employees of such contractor, whether said damages are caused by negligence, accident, or otherwise.

F. To allow the Association, its delegates, agents, or employees at all reasonable times to enter into any Lot for reasonable purposes including maintaining, inspecting, repairing, or replacing the lawn area of any Lot or the Common Areas or for repairing, maintaining or replacing any plumbing or other utility lines within such Lot but serving other parts of the Subdivision or, in case of emergency, to determine the circumstances threatening Lots or Common Areas and to correct the same to determine compliance with the provisions of the Subdivision Documents.

G. To promptly report to the Association any defects or needed repairs for which the Association is responsible.

H. To reimburse the Association for any repairs or replacements which are made necessary because of abuse or negligent use by a Lot Owner, the reasonable cost of such repair or replacement which may be assessed against such Lot Owner.

#### ARTICLE IX INSURANCE

9.01 Purchase of Insurance. Commencing not later than the time of the first conveyance of a Lot to a Person other than the Declarant, the Association shall maintain insurance in accordance with this Declaration. One copy of each insurance policy and of all endorsements thereto shall be furnished by the Association to any first Mortgagee requesting a copy. All policies of insurance must be issued by companies specifically authorized by the laws of the State of Alabama to transact such business. Any company issuing any such policy must have an "A" general policyholder rating or a financial performance index of "6" or better in the Best's Key Rating Guide, or an "A" or better rating from Demotech, Inc.; provided, however, that policies issued by Lloyd's of London will be acceptable and policies issued by a carrier not meeting the above requirements are acceptable if the particular issues are covered by 100% reinsurance with a company that does meet said requirements.

Such insurance shall cover the Common Areas, except land, foundation, excavation, and other items usually excluded from coverage, building service equipment and supplies, and other personal property and supplies belonging to the Association in an amount of not less than one hundred percent



(100%) of the insurable replacement thereof, exclusive of land, excavation, foundation, and other items normally excluded from property policies against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement. The Association may elect not to purchase insurance for fencing, if any, or other Common Areas (exclusive of the Buildings) if the Association determines that the benefit of such insurance or the risk of loss is not worth the cost thereof.

The Association must obtain, maintain, and pay the premiums upon, as a Common Expense, a comprehensive general liability insurance policy, including medical payments insurance, as required by the Act and covering all the Common Areas, commercial space owned or leased by the Association, and public ways of the Subdivision. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location, and use. However, such coverage shall be, if reasonably available, for at least one million dollars (\$1,000,000.00) for bodily injury, including deaths of persons and property damage arising out of a single occurrence, and in no event less than \$1,000,000.00. Coverage under this policy shall include, if reasonably available, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Areas, and legal liability arising out of lawsuits related to employment contracts of the Association. If such policy does not include "severability of interests" the policy must include a specific endorsement that precludes the insurer's denial of an Owner's claim because of negligent acts of the Association or other Lot Owners.

9.02 Personnel Coverages. Should the Association employ personnel, all coverages required by law, including workers' compensation, shall be obtained so as to meet the requirements of the law.

9.03 Fidelity Bonds. The Association shall obtain, maintain and pay the premiums upon, as a Common Expense, a fidelity bond to protect against loss of money by dishonest acts on the part of all officers, directors and employees of the Association and all other persons handling, or responsible for, funds of the Association or funds administered by the Association. Where a management agent has the responsibility for handling or administering funds of the Association, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. The fidelity bond shall name the Association as the obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than one hundred and fifty percent (150%) of the estimated annual Common Expenses. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all bonds required herein to be maintained by the management agent shall be paid by the management agent. The bond shall provide that the Association and any first Mortgagee shall be given ten (10) days written notice before the policy/bond may be canceled or modified for any reason.

9.04 Other Insurance. The Association shall have authority to obtain such other insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable. The premiums for such insurance shall be a Common Expense.

9.05 Individual Insurance. Nothing contained herein shall be construed to prevent a Lot Owner from obtaining insurance for his own benefit.

9.06 Insurance Premiums. Insurance premiums maintained by the Association shall be paid by the Association as a Common Expense. Should the Association fail to pay such insurance premiums when due, or should the Association fail to comply with other insurance requirements of a Mortgagee, the Mortgagee shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance. To the extent of any money so advanced, the Mortgagee shall be subrogated to the Assessment and the lien rights of the Association as against the individual Lot Owners for the payment of such item of Common Expense.

9.07 Insurance Beneficiary. All insurance policies purchased by the Association shall be for the benefit of the Association.

9.08 General. To the extent that any insurance program specifications (including limits of liability, endorsements, etc.) required under this Article IX are not customarily met by prudent owners associations of comparable developments located on the Alabama Gulf Coast, are unduly expensive to meet, or require coverage which is not reasonably available, then less stringent insurance program specifications shall be permitted hereunder. If the insurance described above which is required to be maintained is not reasonably available, the Association promptly shall give notice of that fact to be hand delivered or sent prepaid by United States Mail to all Lot Owners.

## ARTICLE X

### CONDEMNATION OF COMMON AREAS/LOTS

10.01 Condemnation of Common Areas. In the event of the taking of all or any portion of any of the Common Areas as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof, the award from such taking or sale in lieu thereof shall be paid to the Association and shall be disbursed or held as follows:

(a) To the extent the Common Areas subject to such taking can either be restored or replaced, then, to the extent practicable, the Association shall take such action, including the utilization of any other Common Areas within the Subdivision, to restore or replace, as the case may be, those portions of the Common Areas subject to such taking. If the award is insufficient to defray fully the cost of such restoration or replacement, and such deficiency cannot be appropriated from any reserve fund that may have been established for such purpose, then the Board of the Association, may levy a special Assessment against all Owners, without the necessity of a vote of the Owners approving or disapproving the same, which such special Assessment shall be in an amount sufficient to provide funds to pay a proportionate share of the remaining costs of restoration or replacement. Such proportionate share shall be determined in the same manner as Regular Assessments for the maintenance, repair or replacement of the Common Areas.

Such Special Assessment shall be levied against each Owner as provided herein. Further Special Assessments may be made by the Board, on a proportionate share basis, as described above, without the necessity of a vote of the Owners approving or disapproving the same, at any time during

or upon the completion of any restoration or replacement of the Common Areas if the award received as a result of such taking is insufficient to pay the costs of such restoration or replacement.

(b) To the extent the Common Areas prior to such taking cannot be restored or replaced or if the Association shall determine that the portions of the Common Areas so taken should not be restored or replaced, then in any such event, the net award from such taking shall be retained by and for the benefit of the Association.

10.02 Remainder of Award. If any portion of the award from any taking remains after restoration or replacement of any of the Common Areas, the remainder of such award shall be retained by and for the benefit of the Association, without any claim thereto by any Owner. Except as specifically provided in subsection 10.3 below, no Owner or Mortgagee of any Lot shall be entitled to any portion of the award made to the Association as a result of the taking of any portion of the Common Areas.

10.03 Apportion of Award. If any such taking or sale in lieu thereof includes all or any part of a Lot and also includes any part of the Common Areas, then the award from such taking shall be equitably apportioned in accordance with the decision of a court of competent jurisdiction, and such award shall be disbursed separately to the Association and to the Owners so affected by such taking; provided, however, that the Owners of any Lot that is subject to any such taking and the Association may mutually agree on the amount of such apportionment, which mutual agreement shall be binding on all Owners.

10.04 Condemnation of A Lot. If that all or any portion of a Lot is taken as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof, then, to the extent practicable, the Owner of such Lot shall promptly repair, reconstruct, rebuild and otherwise restore the remaining portion of the Lot as nearly as practicable to the condition to which the same extended immediately prior to such taking; provided, however, that any such restoration shall be subject to all of the terms and conditions set forth in this Declaration and all then applicable rules, regulations, statutes and ordinances of the Governmental Authorities. If the restoration of such Lot is impracticable or would otherwise violate any of the provisions of these Covenants, then such Owner shall promptly clear away any remaining Improvements damaged or destroyed by such taking and shall leave such Lot and any remaining Improvements thereon in a clean, orderly, safe and sightly condition.

## ARTICLE XI AMENDMENT

### 11.01 Amendment.

A. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which a proposed amendment is to be considered. The resolution shall be adopted by the vote, in person or by proxy, or by written consent of Members representing not less than sixty-seven percent (67%) of the total voting interests of the Association, provided that the specified percentage of the Association necessary to amend a specified Section or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that Section or provision.

B. The Mortgagees of fifty-one percent (51%) of the first Mortgages on all the Lots in the Project who have requested the Association in writing (which makes them Eligible Mortgagees) be notified of proposed action requiring the consent of a specified percentage of first mortgagees must approve any amendment to this Declaration which is of a material nature, including the following:

- i. Any amendment which affects or purports to affect the validity or priority of mortgages or the rights or protection granted to Mortgagees, insurers or guarantors of first mortgages as provided herein; or
- ii. Any amendment which would necessitate a Mortgagee after it has acquired a Lot through foreclosure, to pay more than its proportionate share of any unpaid assessment or assessments accruing after such foreclosure;
- iii. Any amendment which would or could result in a Mortgage being canceled by forfeiture, or in a Lot not being separately assessed for tax purposes; or
- iv. Any amendment relating to the disposition of any money received in any taking under condemnation proceedings.

C. Each Eligible Mortgagee of a first Mortgage on a Lot in the Subdivision which receives proper written notice of a proposed amendment or termination of this Declaration by certified or registered mail with a return receipt requested shall be deemed to have approved the amendment or termination if the mortgagee fails to submit a response to the notice within thirty(30) days after the Mortgagee receives the notice.

D. A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when a certificate of amendment is recorded with the Baldwin County, Alabama Judge of Probate office real estate records. The certificate signed and sworn to by two (2) officers of the Association that the requisite number of Owners and Eligible Mortgagees have either voted for or consented in writing to any amendment adopted as provided above, when recorded, shall be conclusive evidence of that fact.

E. Notwithstanding any other provisions of this Article XI, as long as Declarant owns more than thirty-six (36) Lots, Declarant may unilaterally amend this Declaration at any time or times by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant.

## **ARTICLE XII**

### **PURCHASE OF A LOT OR LOTS BY ASSOCIATION**

12.01 Decision. The decision of the Association to purchase a Lot or Lots shall be made by the Board without the approval of the Members except as provided in this Article.

12.02 Limitation. If at any time the Association is already the Lot Owner of or has agreed to purchase one or more Lots, it may not purchase any additional Lots without the prior written approval

of Members holding fifty plus one percent (51%) of the votes of those Members eligible to vote thereon, except as provided in this Article. A Member whose Lot is the subject matter of the proposed purchase shall be ineligible to vote thereon. Notwithstanding the foregoing, however, the foregoing limitations shall not apply to Lots either to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent Assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien. In any event, the Board or a designee thereof, acting on behalf of the Association, may only purchase a Lot in accordance with this Article, or as the result of a sale pursuant to the foreclosure of:

- A. A lien on the Lot for unpaid taxes;
- B. A lien of a mortgage;
- C. The lien for unpaid Assessments;
- D. Or any other judgment lien or lien attaching to such Lot by operation of law.

#### **ARTICLE XIII** **NOTICE OF LIEN OR SUIT**

13.01 Notice of Lien. A Lot Owner shall give notice in writing to the Secretary of the Association of every lien on his Lot, other than liens for first mortgages, current taxes, and special Assessments, within ten (10) days after he receives notice of the attachment of the lien.

13.02 Notice of Suit. A Lot Owner shall give notice in writing to the Secretary of the Association of every suit or other proceeding that may directly affect the title to his Lot, with such notice to be given within ten (10) days after the Lot Owner obtains knowledge thereof.

13.03 Failure to Comply. Failure to comply with this section will have no effect on the validity of any judicial proceeding.

#### **ARTICLE XIV** **RULES AND REGULATIONS**

14.01 Compliance. The Association and each Lot Owner shall be governed by and shall comply with the terms of the Declaration, the Certificate of Formation, the Bylaws (the "Subdivision Documents") and the Rules and Regulations applicable to the Property. Ownership of a Lot subjects the Lot Owner to compliance with the provisions of the Subdivision Documents and any contracts to which the Association is a party, as well as to amendments to any of the foregoing. Failure of the Lot Owner to comply therewith shall entitle the Association or other Lot Owners to an action for damages or injunctive relief, or both, in addition to other remedies provided in the Subdivision Documents.

14.02 Enforcement. The Association, through the Board, is hereby empowered to enforce the Subdivision Documents and all Rules and Regulations of the Association by such means as are allowed under applicable law, including the imposition of reasonable fines (after reasonable notice and opportunity to be heard) from time to time as set forth in the Bylaws. In the event a Lot Owner fails

to maintain his Lot in the manner required in the Subdivision Documents and any Rules and Regulations of the Association, the Association, through the Board, shall have the right to assess the Lot Owner and the Lot for the sums necessary to do the work required to effect compliance and to collect, and enforce the collection of, a special Assessment therefor as provided in this Declaration. In addition, the Association shall have the right, for itself and its employees and agents, to enter such Lot and perform the necessary work to effect compliance. Lot Owners shall have the right to enforce the provisions of the Subdivision Documents and decisions of the Association against the Association, and, if aggrieved, against other Lot Owners.

14.03 Negligence. A Lot Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his act, neglect, or carelessness or by that of any member of his family, his lessees, or his or their guests, invitees, employees, or agents, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire and casualty insurance rates occasioned by the use, misuse, occupancy or abandonment of a Lot, or the Common Areas. The liability for such increases in insurance rates shall equal five times the first resulting increase in the annual premium rate for such insurance.

14.04 No Waiver of Rights. The failure of the Association or any Lot Owner to enforce any covenant, restriction, or other provision of the Subdivision Documents, or any Rules and Regulations adopted pursuant thereto shall not constitute a waiver of the right to do so.

#### ARTICLE XV GENERAL PROVISIONS PERTAINING TO MORTGAGES

15.01 Lender's Notices. Upon written request to the Association, identifying the name and address of the Mortgagee (which makes it an Eligible Mortgagee), insurer or guarantor and the Lot number or address, any Eligible Mortgagee, insurer, or guarantor will be entitled to timely written notice of:

- A. Any condemnation or casualty loss that affects either a material portion of the Development or the Lot securing its mortgage.
- B. Any 60-day delinquency in the payment of Assessments or charges owed by the Lot Owner of any Lot on which it holds the mortgage.
- C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- D. Any proposed action that requires the consent of a specified percentage of mortgage holders.

#### ARTICLE XVI MISCELLANEOUS

16.01 Covenants, Conditions and Restrictions. All provisions of the Subdivision Documents shall, to the extent applicable and unless otherwise expressly therein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part thereof and interest therein; and all of the provisions of the Subdivision Documents shall be binding on and inure to the

benefit of any Lot Owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representative, successors, and assigns, but said provisions are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All Lot Owners and Occupants shall be subject to and shall comply with the provisions of the Subdivision Documents and any Rules and Regulations promulgated thereunder.

16.02 Severability. The invalidity in whole or in part of any covenant or restriction or any paragraph, subparagraph, sentence, clause, phrase, word, or other provision of this Declaration, the Certificate of Formation, the Bylaws, any Rules and Regulations of the Association promulgated pursuant thereto, and any exhibits attached hereto, as the same may be amended from time to time, or the invalidity in whole or in part of the application of any such covenant, restriction, paragraph, subparagraph, sentence, clause, phrase, word or other provision shall not affect the remaining portion thereof.

16.03 Notice. The following provisions shall govern the construction of the Subdivision Documents, except as may be specifically provided to the contrary herein: All notices required or desired under the Subdivision Documents to be sent to the Association shall be sent certified mail, return receipt requested, to the Secretary of the Association, at such address as the Association may designate from time to time by notice in writing to all Lot Owners. The location and mailing address of the initial registered office of the Association is 956 Commerce Loop, Gulf Shores, AL 36542. The name of the corporation's initial registered agent at such address is Edwin J. Spence. All notices to any Lot Owner shall be delivered in person or sent by first-class mail to the address of such Lot Owner, or to such other address as he may have designated from time to time, in a writing to the Association. Proof of such mailing or personal delivery to a Lot Owner by the Association may be provided by the affidavit of the Person or post office certificate of mailing. All notices to the Association or a Lot Owner shall be deemed to have been given when delivered to the addressee in person or by a post office certificate of mailing.

16.04 Governing Law. Should any dispute or litigation arising between any of the parties whose rights or duties are affected or determined by the Subdivision Documents or any Rules and Regulations adopted pursuant to such documents, such dispute or litigation shall be governed by the laws of the State of Alabama and shall be litigated in the Courts of Baldwin County, Alabama, Non-Jury.

16.05 Waiver. No provisions contained in the Subdivision Documents shall be deemed to have been waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

16.06 Ratification. Each Lot Owner, by reason of having acquired ownership of his Lot, whether by purchase, gift, operation of law, or otherwise, shall be deemed to have acknowledged and agreed that all the provisions of the Subdivision Documents and any Rules and Regulations promulgated thereunder are fair and reasonable in all material respects.

16.07 Captions. The captions used in the Subdivision Documents are inserted solely as a matter of convenience and reference and shall not be relied on and/or used in construing the effect or meaning of any of the text of the Subdivision Documents.

16.08 Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of the proceedings and such reasonable attorney's fees as may be awarded by the court.

16.09 Conflict Between Documents. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in this Declaration and the Act, then the provisions of the Alabama Nonprofit Corporation Act shall at all times control. If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Certificate of Formation, the Bylaws or any rules and regulations promulgated hereunder, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Certificate of Formation and the terms and conditions of the Bylaws or any rules and regulations promulgated hereunder, the terms and conditions of the Certificate of Formation shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of any rules and regulations promulgated hereunder, the terms and conditions of the Bylaws shall control.

16.10 Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of the gender shall be deemed to include all genders.

16.11 Approvals. In all instances herein where the Board of Directors has approval rights, such approval must be in writing and may be given or withheld at the sole discretion of the Board of Directors. All requests for approval must be submitted in writing to the Board of Directors by certified or registered mail, return receipt requested. If the Board of Directors fails to respond to such written request for approval after thirty (30) days after receipt thereof, such request shall be deemed approved.

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**TABLE OF EXHIBITS**

<b><u>Exhibit "A"</u></b>	Legal Description of the Subdivision
<b><u>Exhibit "B"</u></b>	Bylaws of the Association
<b><u>Exhibit "C"</u></b>	Site Plan of the Subdivision
<b><u>Exhibit "D"</u></b>	Legal Description of the Parking Lot
<b><u>Exhibit "E"</u></b>	Floor Plan of Office Space Described in Article III Subsection 3.07 of the Declaration of Condominium

EXHIBIT "A"

Legal Description of the Subdivision

Lot 5A according to GRAND RIVIERA PHASE 1, A RESUBDIVISION OF LOT 5, LITTLE WOERNER SUBDIVISION, as recorded in Slide 2888-A & B in the Office of the Judge of Probate, Baldwin County, Alabama, Judge of Probate of Baldwin County, Alabama.

Which has been re-subdivided by recording the plat for Grand Riviera RV Resort Subdivision in Slide 2891 D, E in the Office of the Judge of Probate, Baldwin County, Alabama.

Exhibit "B"

STATE OF ALABAMA     )  
COUNTY OF BALDWIN    )

**BYLAWS OF**  
**GRAND RIVIERA RV RESORT SUBDIVISION**  
**OWNERS' ASSOCIATION, INC.**

**ARTICLE I**  
**GENERAL**

1.01     Purpose. These are the Bylaws of the Grand Riviera RV Resort Subdivision Owners' Association, Inc., an Alabama Nonprofit Corporation (hereinafter referred to as the "Association") organized pursuant to the Alabama Nonprofit Corporation Act, CODE OF ALABAMA 1975, §10-3A-1, et seq. (the "Act"), for the purpose of administering Grand Riviera RV Resort Subdivision, hereinafter referred to as the "Subdivision" which is located in Baldwin County, Alabama.

1.02     Applicability of Bylaws. The provisions of these Bylaws are applicable to the Subdivision Property and to the use and occupancy thereof. All present and future owners, mortgagees, lessees and Occupants of Units, and any other persons who may use the facilities of the Property in any manner are subject to these Bylaws, the Declaration and the Rules and Regulations made in accordance therewith. The acceptance of a deed or conveyance or the entering into a lease or the act of occupancy of a Lot shall constitute an agreement that these Bylaws, and the Rules and Regulations made in accordance therewith along with the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

1.03     Principal Office. The principal office of the Association shall be at 956 Commerce Loop, Gulf Shores, AL 36542, or at such other place as Declarant may be designated subsequently by the Board of Directors or as the business of the Association may require. All books and records of the Association shall be kept at its principal office.

1.04     Terms Defined. "Declaration" shall mean that certain Declaration of Covenants, Conditions and Restrictions for Grand Riviera RV Resort Subdivision, filed in the Office of the Judge of Probate of Baldwin County, Alabama, as the same may be amended from time to time in accordance with the terms thereof. "Board of Directors" or "Board" means the Board of Directors of the Association elected pursuant to the Bylaws of the Association. "Director" means individual members of the Board of Directors. All other terms used herein shall have the meaning given to them in the Declaration and are hereby incorporated by reference and made a part hereof.

**ARTICLE II**  
**MEMBERSHIP**

2.01 Qualification. The qualification for membership shall be ownership of a Lot in the Subdivision. No membership may be separated from the Lot to which it is appurtenant.

2.02 No Additional Qualifications. No initiation fees, costs, or dues shall be assessed against any person as a condition of the exercise of the rights of membership except such Assessments, levies, and charges as are specifically authorized in the Declaration.

2.03 Succession. The membership of each Lot Owner shall automatically terminate on the conveyance, transfer or other disposition of a Lot Owner's interest in the Lot. The Lot Owner's membership shall automatically be transferred to the new Lot Owner succeeding to such ownership interest. On the conveyance, transfer or other disposition of a portion of a Lot Owner's interest in a Lot, the transferring Lot Owner and the transferee shall each be Members of the Association in accordance with the ownership interest of each following such conveyance or transfer.

2.04 Not for Profit Corporation. The Association is a not-for-profit corporation organized under the laws of the State of Alabama and pursuant to the Act and the Alabama Nonprofit Corporation Act, CODE OF ALABAMA 1975, §10-3A-1, et seq. The Association shall issue no shares of stock of any kind or nature whatsoever.

**ARTICLE III**  
**MEETINGS OF MEMBERS**

3.01 Annual Meeting. A meeting of the Association must be held at least once each year. The annual meeting of Members shall be held at the office of the Association at 10:00 a.m., local time, on the first Saturday of October of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the Members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day following that is not a legal holiday.

3.02 Change of Annual Meeting. The time of holding the annual meeting of Members may be changed at any time prior to not less than ten (10) days nor more than sixty (60) days in advance of the regular day for holding such meeting by a resolution duly adopted by the Board of Directors or by the Members, provided that notice of such change be mailed to each Member of record, at such address as appears upon the records of the Association, not less than ten (10) days before the holding of such meeting nor more than sixty (60) days in advance of the regular meeting; and further provided that each annual meeting of Members shall be held within one (1) month of the date on which it should regularly have been held but for such change.

3.03 Special Meeting. Special meetings of the Members of the Association may be called by the President, by a majority of the Directors and must be called within a reasonable time upon the written demand of twenty-five (25%) percent of the Members.

3.04 Notice of Meeting. Notice of all meetings of the Members shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or to the Bylaws and any proposal to remove a Director. Notices shall be prepared and delivered by, or at the direction, of the Secretary, and may be delivered either personally or by mail to a Member at the address as shown on the books of the Association, or to the Member's Lot if no such address has been given to the Association. Notices of the Annual Meeting and of Special Meetings shall be mailed, or delivered personally, to each Member not less than ten (10) days nor more than sixty (60) days prior to the Meeting.

3.05 Waiver of Notice. Any Member or Eligible Mortgagee may waive the right to receive notice of any meeting by sending a written waiver to the Board of Directors. Notice of any meeting may be waived before or after the meeting, orally or in writing. Attendance by a Member at any meeting, either in person or by proxy, shall constitute waiver of notice of such meeting.

3.06 Quorum. A quorum of Members for any meeting shall be deemed present throughout such meeting if Members, represented in person or by proxy, holding more than fifty-one percent (51%) of the votes entitled to be cast at such meeting are present throughout such meeting, except as otherwise provided by the Certificate of Formation, the Declaration, or by these Bylaws (sometimes referred to collectively hereinafter as the "**Subdivision Documents**").

3.07 Adjournment for Lack of Quorum. In the absence of a quorum at any meeting of Members, a majority of those Members entitled to vote thereat, present in person or by proxy, shall have the power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until the requisite number of Members, present in person or by proxy, shall be present. At such adjourned meeting at which the requisite number of votes shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed.

3.08 Adjourned Meetings. Any meeting of the Association may be adjourned from time to time to such date and time as may be determined by the majority vote of the members present, whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

3.09 Action without Meeting. Any action which may be taken at a meeting of the Members may also be taken without a meeting, if a consent in writing setting forth the action so taken, is signed by the number of Members required to take such action at a meeting and is filed with the Secretary of the Association.

3.10 Minutes of Meetings. The minutes of all Member meetings shall be kept in a book available for inspection by Lot Owners or authorized representatives.

#### ARTICLE IV VOTING RIGHTS

4.01 Voting. Voting shall be on a percentage basis and the percentage of the vote to which a Member is entitled is the percentage assigned to the Lot of which the Member is the Lot Owner, as stated in the Declaration. The vote of a Lot shall not be divisible. The designation of the voting Member shall be determined as set out in the Declaration.

4.02 Votes 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 Act or the Subdivision Documents, a different number or manner of voting is required, in which case the express provision shall govern and control the decision in question.

4.03 Voting by Proxy. Votes may be cast in person or by proxy as provided for in the Act. All proxies must be in writing, dated, signed by the Member generating the proxy, and filed with the Secretary of the Association before the appointed time of the meeting to which it applies. A Member may revoke a proxy at any time by delivering a written notice of revocation to the Association.

4.04 Voting by Mortgagee. The execution and delivery of mortgage on a Lot by its Lot Owner shall be construed as conferring upon the Mortgagee a conditional proxy to cast the vote or votes attributable to such Lot at any regular or special meeting of the Association. The condition of such proxy shall be notice by such Mortgagee to the Association, in writing, of its intent to exercise the conditional proxy rights granted to it, as Mortgagee, by the terms of this subparagraph. In the absence of such written notice, the Association shall be entitled to recognize the Lot Owner of the mortgaged Lot as fully entitled to cast the vote or votes attributable. However, once such written notice is received by the Association, the Mortgagee's right to cast the vote or votes attributable to that Lot shall be recognized by the Association until the Mortgagee withdraws its intent to cast such votes in writing, or until the mortgage is paid in full and satisfied of record, whichever first occurs.

4.05 Order of Business. The order of business at annual meetings of Members and, as far as practical, at all other meetings of Members, shall be:

- Call to order
- Calling of the roll and certifying of proxies
- Proof of notice of meeting or waiver of notice
- Reading and disposal of any unapproved minutes
- Reports of Officers

- Reports of Committees
- Election of Directors
- Unfinished business
- New business
- Adjournment

## ARTICLE V

### BOARD OF DIRECTORS

5.01 Number. The affairs of the Association shall be conducted by a Board of Directors or "Board of Directors" which shall consist of not fewer than three (3) persons nor more than five (5) persons. The number of Directors shall be fixed from time to time by the Association Members.

5.02 Qualification. Except for Directors appointed by Declarant, each Director shall be a Lot Owner. If a Lot Owner is a Trust, then the Trustee of a Beneficiary of the Trust may be a Director. If a Lot Owner is a corporation, limited liability company or partnership, then an officer, partner, or member of such Lot Owner may be a Director. If a Director shall cease to meet such qualifications during his term, he shall cease to be a Director and his place on the Board of Directors shall be vacant.

5.03 Appointment by Declarant. The initial Board of Directors, as well as successive Directors, shall be appointed by the Declarant, and may be removed by the Declarant at any time in accordance with the Declaration. A Director appointed by the Declarant need not be a Lot Owner.

5.04 Nomination for Election. Nomination for election to the Board of Directors of Directors shall be made from the floor at the annual meeting of Members or at any other meeting of Members called for the purpose of electing Directors. Nominations may also be made by a nominating committee appointed by the Board of Directors prior to the annual meeting of the Members or prior to any other meeting of Members called for the purpose of electing Directors.

5.05 Election of Directors. Directors shall be elected in accordance with the Act and the provisions of the Subdivision Documents. Directors shall be elected at the annual meeting of Members or at a special meeting called for that purpose. The election shall be by secret ballot (unless dispensed with by unanimous consent) and each Member shall be entitled to vote for each vacancy. There shall be no cumulative voting. Those candidates receiving the greatest number of votes cast either by person or by proxy shall be elected.

5.06 Term. Each Director elected by the Members shall hold office until the next annual meeting of Members, and until his successor shall be elected and qualified or until he resigns or is removed in any manner provided elsewhere herein. Each Director appointed by the Declarant shall

hold office until he resigns, is removed by the Declarant, or his term expires as provided for herein and in the Declaration.

5.07 Vacancies. Any vacancy in the position of a Director elected by the Members of the Association shall be filled by a majority vote of the remaining Directors, and any Director so elected shall hold office for a term equal to the unexpired term of the Director whom he succeeds. Any vacancy in the position of a Director appointed by the Declarant shall be filled by the Declarant, except as provided in the Act.

5.08 Removal. Any Director may be removed in accordance with the provisions of the Act. The vacancy in the Board of Directors so created shall be filled by the Members at the same meeting.

5.09 Compensation. A Director shall not receive any compensation for any services he may render to the Association as a Director; provided, however, that any Director maybe reimbursed for actual out-of-pocket expenses incurred by him in his performance of his duties.

5.10 Proviso. Provided, however, the Declarant shall retain control of the Association in accordance with the terms and conditions of the Declaration.

## ARTICLE VI

### MEETINGS OF DIRECTORS

6.01 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or email, not less than ten (10) nor more than sixty (60) days in advance of any meeting.

6.02 Special Meetings. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board of Directors. Not less than three (3) days' notice of the meeting shall be given personally by mail, telephone or email, which notice shall state the time, place and purpose of the meeting.

6.03 Waiver of Notice. Any Director may waive notice of a meeting either before or after the meeting or may consent to the holding of a meeting without notice. Attendance by any Director at a meeting shall constitute waiver of notice of the meeting except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called.

6.04 Quorum. A quorum shall consist of the number of Directors entitled to cast a majority of the votes of the entire Board of Directors. The acts of the 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 a Director for the purpose of determining a quorum.

6.05 Action without Meeting. Any action permitted or required to be taken at a meeting of the Board of Directors may be taken without a meeting if written consent setting forth the action so taken shall be signed by all of the Directors and filed with the minutes of the proceedings of the Board of Directors.

6.06 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a minute book available for inspection by Lot Owners, or their authorized representatives, or any Directors at any reasonable time.

6.07 Presiding Officer. The presiding officer of Directors' meetings shall be the President. In the absence of the President, the Directors present shall designate one of their number to preside.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

The Board of Directors, for the benefit of the owners, shall have the following powers and duties:

7.01 To exercise all of the powers of the Association with respect to the operation and regulation of the Subdivision which are conferred upon the Board of Directors by the Act or which may be conferred upon the Board of Directors by these Bylaws pursuant to such Act, and to exercise all of the powers of the Association which are conferred upon it by law and by the Subdivision Documents.

7.02 To make and incur liabilities in connection with the exercise of any of the powers and duties of the Board of Directors.

7.03 To provide or cause to be provided all goods and services required by the Bylaws, or which the Board of Directors, at its discretion, deems necessary for the proper operation of the Subdivision in each case to the extent such goods and services shall not be otherwise provided.

7.04 To collect monthly assessments from the Lot Owners, and to render or cause to be rendered statements, when required or useful, of any assessments which remain unpaid by any Lot Owner.

7.05 To maintain a class action, and to settle a cause of action on behalf of the Lot Owners with references to the Common Areas, the roof and structural components of a building or other improvement, and mechanical, electrical and plumbing elements serving an improvement or a building as distinguished from mechanical elements serving only a unit; and to bring an action and to settle the same on behalf of two (2) or more of the Lot Owners, as their respective interests may appear, with respect to any cause of action relating to the Common Areas or more than one (1) Lot, all as the Board of Directors deems advisable.

7.06 To elect the officers of the Association and otherwise exercise the powers regarding officers of the Association as set forth in these Bylaws.

7.07 To determine who shall be authorized to make and sign all instruments on behalf of the Association and the Board of Directors.

7.08 To employ a management agent or manager, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to the duties listed in this Section, and any such duties so conferred upon the managing agent or manager by the Board of Directors may at any moment be revoked, modified or amplified by the majority of the votes in a duly constituted meeting of the Board of Directors.

7.09 To procure such property and other insurance of all kinds and such fidelity bonds as the Board of Directors deems advisable covering officers and employees of the Association handling and responsible for the Association's funds and personal property, and to procure additional insurance as the Board of Directors deems advisable and the premium of such bonds and insurance shall be paid by the Association as common expense.

7.10 To determine policies and to adopt administrative rules and regulations governing the details of the operation and use of the Subdivision, including the Common Areas, and to amend such administrative rules and regulations from time to time as the Board of Directors deems advisable.

7.11 To designate, by resolution passed by a majority of the whole Board of Directors, one (1) or more committees to consist of two (2) or more of the Directors. Any such committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the corporation, except where action of the full Board of Directors is required by law or the Subdivision Documents.

7.12 To designate, by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present, or by the President thereto duly authorized by a like

resolution of the Board of Directors, or other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the corporation. Membership on such committees may but need not be limited to Directors or members of the Association.

7.13 All committees so appointed shall keep regular minutes of the transactions of their meetings, shall cause them to be recorded in books kept for that purpose in the office of the Association, and shall report the same to the Board of Directors at the next meeting of such Board of Directors.

7.14 Order of Business. The order of business at Directors' meetings shall be:

- Call of Roll
- Proof of due notice of meeting
- Reading and disposal of unapproved minutes
- Reports of officers and committees
- Election of Officers
- Unfinished business
- New business
- Adjournment

## ARTICLE VIII

### OFFICERS

8.01 Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, and a Secretary-Treasurer, who shall be a Director, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting in accordance with the Act. Any Person may hold two (2) or more offices, except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board of Directors shall find to be required to manage the affairs of the Association.

8.02 President. The President, who shall be a Director, is the chief executive officer of the Association, and shall have all the powers and duties that are usually vested in the office of President of a subdivision association, including, but not limited to the following powers:

- A. To preside over all meetings of the Members and of the Board of Directors.
- B. To sign as President all deeds, contracts, and other instruments that have been duly approved by the Board of Directors.

C. To call meetings of the Board of Directors whenever he deems it necessary in accordance with the Declaration or these Bylaws.

D. To conduct the general supervision, direction and control of the affairs of the Association.

8.03 Vice President. The Vice President, who shall be a Director, shall have all the powers and duties that are usually vested in the office of the Vice-President of a like in kind subdivision association. The Vice President shall, in the absence of or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors.

8.04 Secretary. The Secretary, who shall be a Director, shall have all the powers and duties that are usually vested in the Secretary of a like in kind subdivision association. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the Members. He shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to the instruments requiring a seal when duly signed. To sign as Secretary all deeds, contracts, all other instruments which have been duly approved by the Board of Directors, if said instrument requires the signature or attestation of the Secretary. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an Association as may be required by the Directors or the President.

8.05 Treasurer. The Treasurer, who shall be a Director, shall be the financial officer of the Association, and shall have all the powers and duties that are usually vested in the Treasurer of a like in kind subdivision association. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall (i) keep the financial records and books of account of the Association in accordance with good accounting practices; (ii) keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Areas and facilities, specifying and itemizing the maintenance and repair expenses of the Common Areas and facilities and any other expenses incurred; and (iii) shall perform all other, duties incident to the office of the Treasurer. The records, books of account, and the vouchers authorizing payments, shall be available for examination by a Member of the Association at convenient hours of weekdays.

8.06 Term. Each officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified, provided that any officer may succeed himself.

8.07 Resignation and Removal. Any officer may be removed from office either with or without cause in accordance with the Act. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt or at any

later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.08 Vacancies. A vacancy in any office shall be filled by a majority vote of the Directors at any meeting. An officer elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds.

8.09 Compensation. An officer shall not receive any compensation for any service he may render to the Association as an officer; provided, however, that any officer may be reimbursed for actual out-of-pocket expenses incurred by him in the performance of his duties.

## ARTICLE IX FISCAL MANAGEMENT

9.01 Fiscal Year. The fiscal year of the Association shall be such as shall from time to time be established by the Association.

9.02 Budget. The Board of Directors shall adopt a budget for each calendar year, which shall include estimated Common Expenses, including a reasonable allowance for contingencies and reserves less the unneeded fund balances on hand. The budget shall also include reserve accounts for working capital expenditures, deferred maintenance, reserves and contingencies. The amount reserved shall be computed by means of a formula that is based on the estimated life and estimated replacement cost of each reserve item. The budget shall also set forth each Lot Owner's proposed Assessments for Common Expenses. Copies of the budget and proposed Assessments shall be transmitted to each Member.

9.03 Adoption of Annual Budget. The Board of Directors shall prepare or cause to be prepared a proposed annual budget for each fiscal year of the Association.

9.04 Assessments. Assessments for Common Expenses shall be made in accordance with the Declaration, and these Bylaws. Assessments shall be collected by the Association on a monthly basis as follows: On or before the first day of each month of the fiscal year for which the Assessments are made, each Lot Owner shall pay their proportionate share of the Common Expenses for such year as shown by the annual budget. The Assessments of the Common Expenses shall be set forth in the Declaration, but the yearly Assessment for each Lot Owner for Common Expenses shall be in proportion to his respective ownership interest in the Common Areas. The Board of Directors may cause to be sent to each Lot Owner, on or before the first day of each month, a statement of the monthly Assessments. However, the failure to send or receive such monthly statement shall not relieve the Lot Owner of his obligation to make timely payment of the monthly Assessments. If the Board of Directors shall not approve an annual budget or shall fail to determine new monthly Assessments for any year, or shall be delayed in doing so, each Lot Owner shall continue to pay the amount of his monthly Assessment as last determined. No Lot

Owner shall be relieved of his obligation to pay his Assessment by abandonment of his Lot or lack of use of the Common Areas.

9.05 Reserves for Replacements. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Areas. The fund shall be maintained out of regular Assessments.

9.06 Lien for Expenses. If any Lot Owner shall fail or refuse to make any payment of the Common Expenses or other Assessments when due, the amount due, together with costs, reasonable attorney's fees, late fees as set by the Board of Directors and interest thereon at a rate to be set by the Board of Directors, but in no event, greater than eighteen percent (18%) per annum from and after the date said Common Expenses or other Assessments became due and payable in accordance with the Declaration and the Act, shall constitute a lien on the interest of the Lot Owner in his Lot.

9.07 Acceleration of Assessment Installments Upon Default. If a Lot Owner shall be in default in the payment of an installment upon any Assessment for a period of more than thirty (30) days, the Board of Directors may accelerate the remaining installments of such Assessments upon notice thereof to the Lot Owner, and thereupon the unpaid balance of the Assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the Lot Owner, or not less than twenty (20) days' after the mailing of such notice to him by registered or certified mail, whichever shall first occur. Upon default in the payment of an installment upon any Assessment, the Board of Directors shall be entitled to charge interest and service charges at the highest available rate allowable under the Act.

9.08 Default. In the event any Lot Owner does not pay any sums, charges or Assessments required to be paid to the Association within thirty (30) days from the due date, the Association may foreclose the lien encumbering the Lot created by non-payment of the required moneys in same manner as a real estate mortgage with a Power of Sale in the State of Alabama; provided that thirty (30) days prior notice of the intention to foreclose shall be mailed, postage prepaid, to the Lot Owner and to all Persons having a mortgage lien or other interest of record in such Lot as shown in the Association records of ownership. The Association shall be entitled to the appointment of a receiver, if it so requests. The Association shall have the right to bid on the Lot at a foreclosure sale and to acquire, hold, mortgage and convey the same. In any such foreclosure action, the lien of the Association shall be as stated in the Declaration. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment for any sums, charges or Assessments required to be paid to the Association without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment brought by or on behalf of the Association against a Lot Owner, the losing defendant shall pay the cost thereof together with a reasonable attorney's fee.

If the Association becomes the Lot Owner by reason of foreclosure, it shall offer said Lot and properties for sale and at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly Assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the Lot, which shall include, but not be limited to, advertising expenses, real estate

brokerage fees and expenses necessary for the repairing and refurbishing of the Lot in question. All moneys remaining after deducting the foregoing items of expense shall be returned to the former Lot Owner in question and/or record lienholders. Should any questions arise, in the sole judgment of the Association, as to whom payment is due, and how much, the Association shall be authorized to interplead said funds into the Circuit Court of Baldwin County, Alabama, and shall be entitled to reasonable attorneys' fees, expenses and costs.

9.09 Supplemental Assessments. If during the course of any fiscal year, it shall appear to the Board of Directors that the monthly Assessments, as determined in the annual budget, are insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency. Copies of the supplemental budget shall be delivered to each Lot Owner, and thereupon a supplemental Assessment shall be made to each Lot Owner for his proportionate share of the supplemental budget.

9.10 Annual Statement. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall cause to be furnished to each Lot Owner, a statement for the year so ended showing the receipts and expenditures of the Association, and such other information as the Board of Directors may deem desirable.

9.11 Accounting Records. The Board of Directors shall cause to be kept, in accordance with generally accepted accounting principles, a record of all receipts and expenditures, and a separate account for each Lot showing the Assessments or other charges due, the due dates thereof, the present balance due, and any interest in Common Surplus. Such records shall be open to inspection by Lot Owners at reasonable times.

9.12 Depository. The depository of the Association shall be such bank or banks and/or savings and loan associations as shall be designated from time to time by the Directors and in which moneys of the Association shall be deposited. Withdrawal of moneys from such account shall be only by checks signed by such persons as are authorized by the Directors.

9.13 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association from any manager handling or responsible for Association funds and from any employee, agent or subcontractor of a manager handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors but shall be at least the amount of one hundred and fifty percent (150%) of the total annual Assessments against Members for recurring expenses. The premiums on such bonds shall be paid by the Association.

## ARTICLE X

### OBLIGATIONS OF THE OWNERS

10.01 Assessments. Every Lot Owner in the Subdivision shall contribute pro rata toward the expense of administration of the Subdivision, as provided in the Declaration and in these Bylaws.

Each Assessment against a Lot shall also be the personal obligation of the Lot Owner at the time the Assessment fell due. Such personal obligation shall not pass to successors in title unless assumed by such successors or required by applicable law.

10.02 Maintenance and Repair. Every Lot Owner shall promptly perform all maintenance and repair work, as provided in the Declaration and the Rules and Regulations of the Association. A Lot Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any Common Areas or facilities damaged through the Lot Owner's fault.

10.03 Use of Lots. All Lots shall be utilized in accordance with the provisions of the Subdivision Documents and the Rules and Regulations of the Association.

## ARTICLE XI RULES AND REGULATIONS

11.01 Rules and Regulations. The Board of Directors may from time to time, and subject to the provisions hereof providing for Declarant control, adopt, modify, amend, or add to Rules and Regulation concerning the use of the Property. Copies of such Rules and Regulations, or any amendments, additions, or modifications, shall be delivered to each Lot Owner not less than fourteen (14) days prior to the effective date thereof. No rule or regulation that conflicts with the Subdivision Documents shall be adopted.

11.02 Hearing Procedure. The Board of Directors shall not impose a fine, suspend voting or infringe upon any of the rights of a Member or other Occupant for violations of the Rules and Regulations, or the Subdivision Documents unless and until the following procedure is followed:

A. Demand. Written demand to cease and desist from an alleged violation shall be hand delivered or posted by United States mail, postage prepaid, to the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period not less than ten (10) days to cure the violation, but in the case of an emergency immediate notice may be given, during which Member or other Occupant must take immediate action to cure the alleged violation.

B. Notice. At any time within twelve months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same is subsequently violated, the Board of Directors or a delegate of the Board of Directors shall hand deliver or by United States mail written notice to the violator of a hearing to be held by the Board of Directors or a committee appointed by the Board of Directors. The notice shall contain: (i) the nature of the violation; (ii) the time and place of the hearing, which time shall not be less than ten (10) days from the giving of the notice, but in the case of an emergency immediate notice may be given which time of the hearing may be less than three (3) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence and witness on behalf of the violating Member; and (iv) the proposed sanction to be imposed.

C. Hearing. The hearing shall be held in executive session pursuant to the notice affording the Member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction under these Bylaws,



proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by an officer, Director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

D. Appeal. If a hearing is before a committee of the Board of Directors following said committee hearing and receipt of the proposed sanction to be imposed, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, written notice of appeal must be received by the President or Secretary within thirty (30) days after the hearing date.

## ARTICLE XII

### AMENDMENTS TO THE BYLAWS

12.01 Adoption. These Bylaws may be amended only by the affirmative vote or agreement of at least sixty-seven percent (67%) of the Members.

12.02 Prohibited Amendments. No amendment may be adopted that would eliminate, modify, prejudice, abridge, or otherwise adversely affect any rights, benefits, privileges, or priorities granted to the Declarant without the consent of the Declarant, as the case may be. No amendment that is in conflict with the Subdivision Documents shall be adopted.

12.03 Recording. Any amendment shall become effective when recorded in the office of the Judge of Probate of Baldwin County, Alabama.

## ARTICLE XIII

### MISCELLANEOUS

13.01 Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of gender shall be deemed to include all genders.

13.02 Captions. The captions herein are inserted only as a matter of convenience for all reference, and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision hereof.

13.03 Conflicts. In the event of any conflict between the provisions of the Declaration and the Bylaws, the Declaration prevails, except to the extent the Declaration is inconsistent with the Act.

13.04 Compliance. These Bylaws are set forth to comply with the requirements of the Act and the Act shall be considered an appendage to the Declaration filed prior hereto in

accordance with said Act. In case these Bylaws conflict with the provisions of the Act, it is hereby agreed and accepted that the provisions of the Act will apply.

13.05 Right of Entry. The Association manager and any person authorized by the Board of Directors shall have the right to enter each Lot in case of any emergency originating in or threatening such Lot whether or not the Lot Owner or Occupant is present at the time. Every Lot Owner and Occupant, when so required, shall permit other Lot Owners or their representatives to enter his Lot at reasonable times for the purpose of performing authorized installations, alterations, repairs to the Common Areas therein for central services provided that requests for entry are made in advance.

13.06 Parliamentary Rules. Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Act, Declaration or these Bylaws.

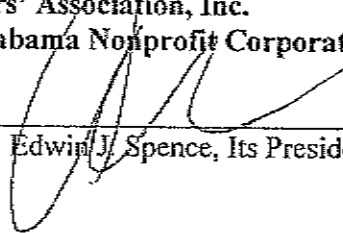
#### ARTICLE XIV REGISTERED OFFICE AND AGENT

14.04 Name and Address. The location and mailing address of the initial registered office of the Association is 956 Commerce Loop, Gulf Shores, AL 36542. The name of the corporation's initial registered agent at such address is Edwin J. Spence.

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IN WITNESS WHEREOF, the undersigned certifies that the above set of initial Bylaws of Grand Riviera RV Resort Owners' Subdivision Association, Inc., an Alabama Nonprofit Corporation, were duly adopted by the Board of Directors in accordance with the provisions of applicable law.

Grand Riviera RV Resort Subdivision  
Owners' Association, Inc.  
An Alabama Nonprofit Corporation

By:  Edwin J. Spence, Its President

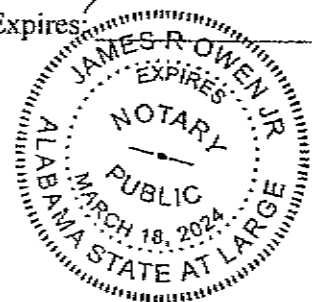
STATE OF ALABAMA     )  
COUNTY OF BALDWIN    )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Edwin J. Spence, whose name as President of Grand Riviera RV Resort Subdivision Owners' Association, Inc., an Alabama Nonprofit Corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that being informed of the contents, he, in such capacity, is duly authorized, and has executed the same voluntarily for and as the act of the company on the day the same bears date.

GIVEN under my hand and seal this the 9<sup>th</sup> day of May 2023.

  
NOTARY PUBLIC

My Commission Expires:



*This Instrument Prepared By:*

*Daniel H. Craven, Esq.*

*Craven & Perry, PLLC*

*Post Office Drawer 4489*

*Gulf Shores, AL 36547*

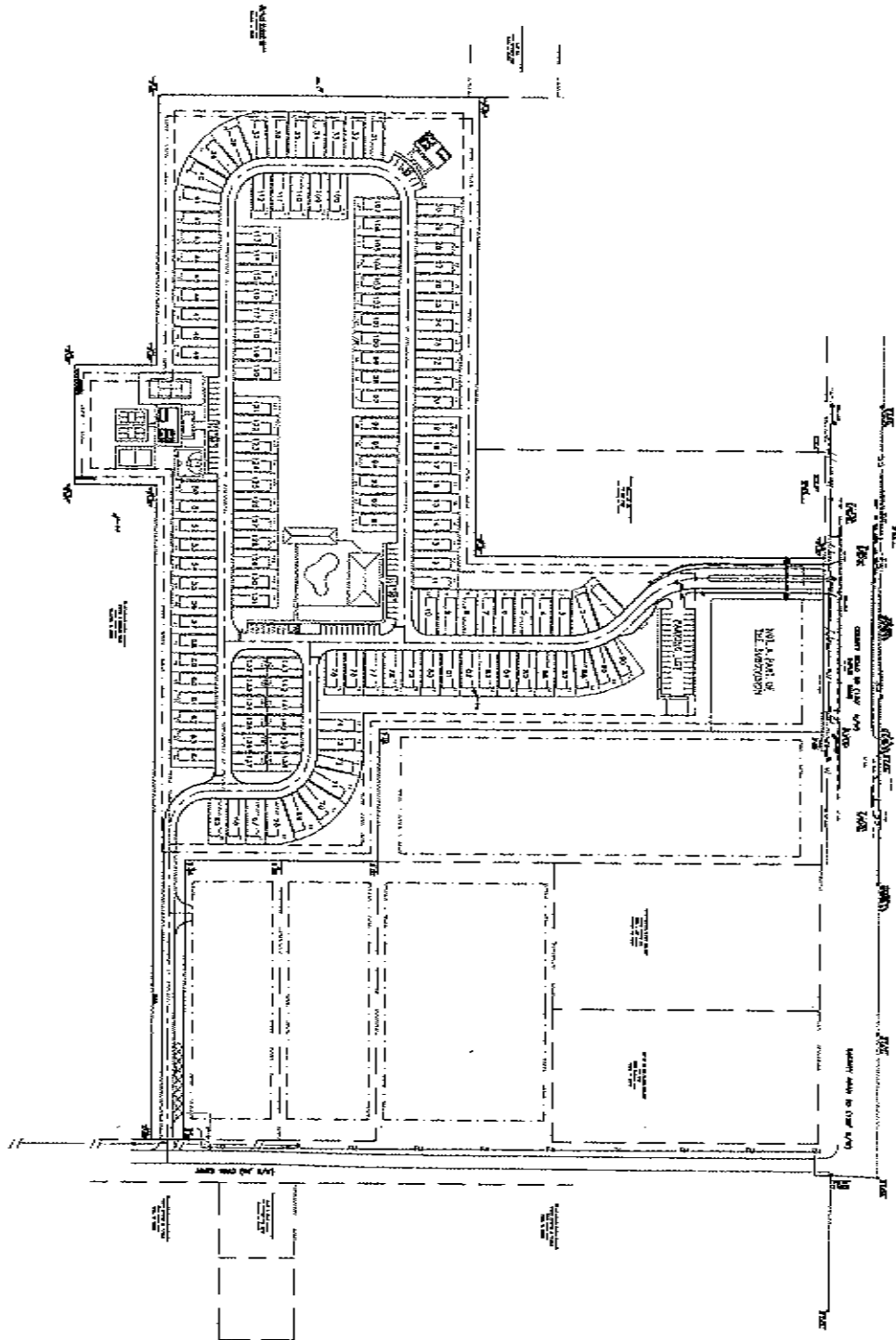
*Voice: 251.968.8170*

*Fax: 251.968.4837*

*Email: [danielhcraven@gmail.com](mailto:danielhcraven@gmail.com)*

# EXHIBIT "C"

## Site Plan of the Subdivision



NOTES:

1. SEE PLAT FOR THE SUBDIVISION MAP.
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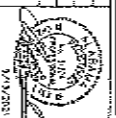
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1" = 100'

ISSUED FOR REVIEW

SUBMITTER'S NAME LINDA SWANSON		SUBMITTER'S ADDRESS 1000 SWANSON DRIVE DAVENPORT, IA 52002 PH: (319) 318-8772		DATE SUBMITTED 10/10/2001		DATE REVIEWED 10/10/2001		REVIEWER'S NAME J. SWANSON		REVIEWER'S ADDRESS 1000 SWANSON DRIVE DAVENPORT, IA 52002 PH: (319) 318-8772	
PROJECT NAME LINDA SWANSON		PROJECT ADDRESS 1000 SWANSON DRIVE DAVENPORT, IA 52002 PH: (319) 318-8772		PROJECT TYPE RESIDENTIAL		PROJECT STATUS PENDING		PROJECT COMMENTS SEE PLAT FOR THE SUBDIVISION MAP.		PROJECT DATE 10/10/2001	
PROJECT NUMBER 1000 SWANSON		PROJECT ADDRESS 1000 SWANSON DRIVE DAVENPORT, IA 52002 PH: (319) 318-8772		PROJECT TYPE RESIDENTIAL		PROJECT STATUS PENDING		PROJECT COMMENTS SEE PLAT FOR THE SUBDIVISION MAP.		PROJECT DATE 10/10/2001	

C3.0 B

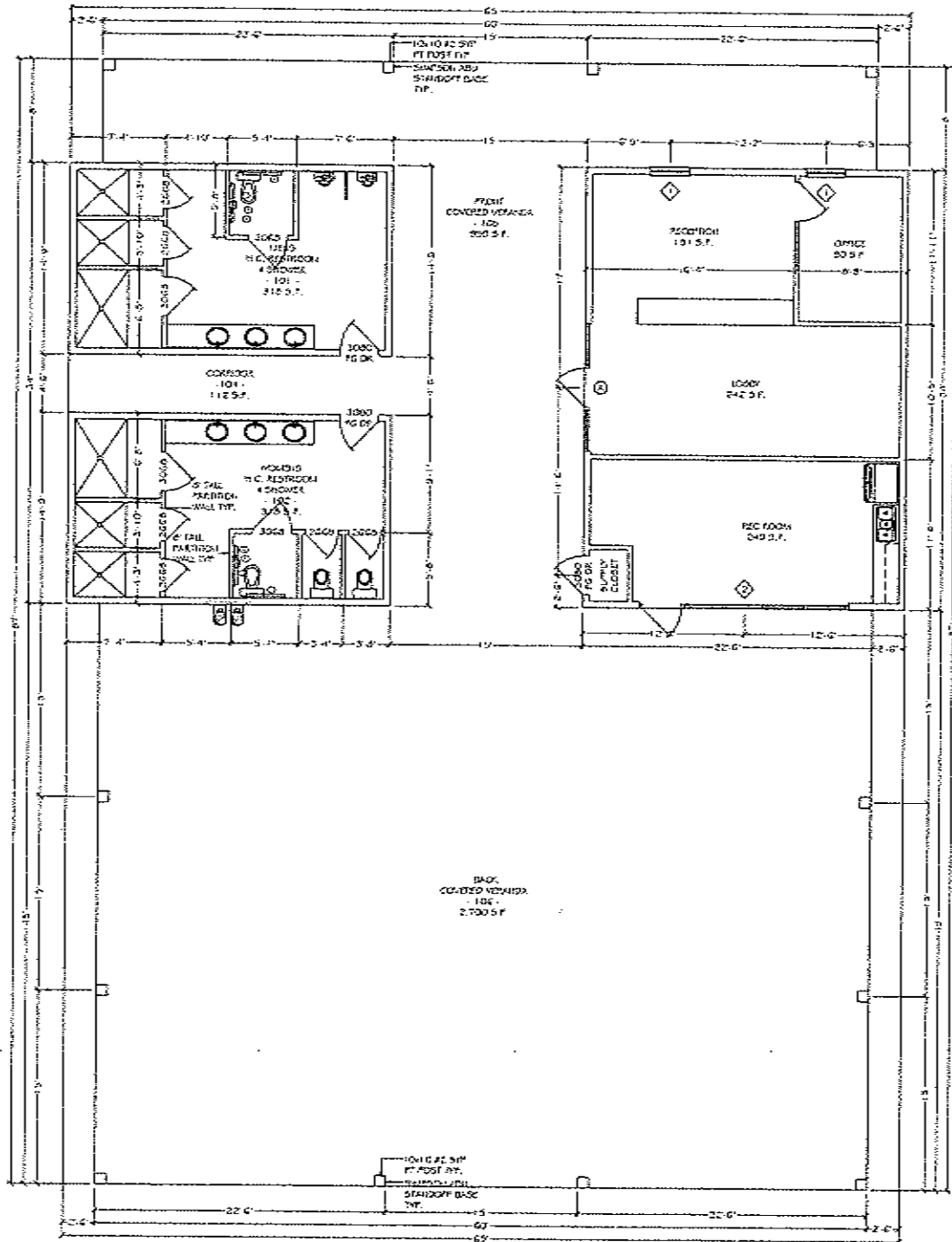


**EXHIBIT "D"**

**Legal Description of the Parking Lot**

Commence at a (Lowery 26623) #5 rebar at the Northwesternmost corner of Lot 5 of Little Woerner Subdivision as recorded in the Office of the Judge of Probate, Baldwin County, Alabama in Slide 2723-D; thence along the South right of way of County Road 20 S 89°50'04" E a distance of 77.35 feet; thence leaving said right of way S 00°01'44" E a distance of 212.00 feet to the Point of Beginning; thence S 89°50'04" E a distance of 250.00 feet; thence S 00°01'44" E a distance of 116.98 feet; thence N 89°51'00" W a distance of 229.16 feet; thence N 24°05'20" W a distance of 51.11 feet; thence N 00°01'44" W a distance of 70.44 feet to the Point of Beginning.

**EXHIBIT "E"**  
**Floor Plan of Office Space Described**  
**in Article III Subsection 3.07 of the**  
**Declaration**



**FLOOR PLAN**  
 1,586 S.F. - HEATED AND COOLED  
 3,654 S.F. - NON-HEATED  
 5,240 S.F. - TOTAL CONSTRUCTION

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed on this  
the 12 day of May 2023.

**DECLARANT**

Alabama Armada, LLC, an Alabama  
limited liability company  
By: Grilled Oysters, Inc., Its Member

By: Edwin J. Spence  
Its: President and Shareholder

STATE OF ALABAMA )

COUNTY OF BALDWIN )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Edwin J. Spence, whose name as President and Shareholder of Grilled Oysters, Inc. an Alabama Corporation, in its capacity as a member of Alabama Armada, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that being informed of the contents, he, in such capacity, is duly authorized, and has executed the same voluntarily for and as the act of the corporation on the day the same bears date.

GIVEN under my hand and seal this the 12 day of May 2023.

Kathie Rachelle Wickware  
NOTARY PUBLIC  
My Commission Expires: 7/2/25

*This Instrument Prepared By:*  
*Craven & Perry, PLLC*  
*Attorneys at Law*  
*P.O. Box 4489*  
*Gulf Shores, AL 36547*  
*Voice: 251.968.8170*  
*Fax: 251.968.4837*  
*Email: danielhcraven@gmail.com*

Kathie Rachelle Wickware  
Notary Public  
Alabama State At Large  
My Commission Expires: July 2, 2025