STATE OF ALABAMA )
COUNTY OF BALDWIN )

BALDWIN COUNTY, ALABAMA HARRY D'OLIVE, JR. PROBATE JUDGE Filed/cert. 4/12/2021 8:03 AM TOTAL S 253.00 81 Pages



### **Declaration of Condominium**

### Of Whispering Pines RV Resort East,

### A Land Condominium

This Declaration of Condominium ("<u>Declaration</u>") is made this the \_\_\_\_\_day of April 2021, by WP 2018, LLC, an Alabama Limited Liability Corporation, (the "<u>Declarant</u>").

Declarant represents all the owners of the real property as described in this Declaration.

Declarant intends by this Declaration to impose upon the Land Condominium mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners of real property within the Land Condominium. Declarant desires to provide procedures for the overall development of the Land Condominium and to establish a method of the administration, maintenance, preservation, use and enjoyment of the Land Condominium.

Declarant hereby declares that the Land Condominium shall be held, sold and conveyed subject to the easements, restrictions, covenants, and conditions more particularly described herein which are for the purpose of protecting the value and desirability of which shall run with the Land Condominium and which shall be binding on all parties having any right, title or interest in the Land Condominium or any part thereof, their heirs, successors, successor-in-title and assigns, and shall inure to the benefit of each Owner thereof. This Declaration intends to create a land condominium within the meaning of the Alabama Uniform Condominium Act of 1991, Code of Alabama 1975, Section 35-8A-101, et. Seq.

### **DECLARATION OF CONDOMINIUM OF**

### WHISPERING PINES RV RESORT EAST,

### A LAND CONDOMINIUM

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STATE OF ALABAMA	)
COUNTY OF BALDWIN	)

# DECLARATION OF CONDOMINIUM OF WHISPERING PINES RV RESORT EAST, A LAND CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM OF WHISPERING PINES RV RESORT EAST, A Land Condominium (this "Declaration") is made this \_\_\_\_\_\_\_ day of April 2021 by WP 2018, LLC, an Alabama limited liability company (the "Declarant"), pursuant to the provisions of the Act (hereinafter defined), for the purpose of forming a condominium and establishing certain easements, covenants and restrictions to run with the Land (hereinafter defined).

### ARTICLE I SUBMISSION OF PROPERTY TO ACT; DEFINED TERMS

1.01 Submission of Property. The Declarant is the owner of a parcel of real estate more particularly described on Exhibit "A" attached hereto and made a part hereof, on which certain buildings and other improvements have been constructed as shown on the Site Plan (hereinafter defined). It is the desire and intention of the Declarant, by recording this Declaration, to submit the Land, together with all improvements, easements, rights and appurtenances thereunto belonging, to the Act and create with respect to the Land, a condominium to be known as Whispering Pines RV Resort East, A Land Condominium (the "Land Condominium" or "Condominium") located at 19648 County Road 8 in the City of Gulf Shores, in the County of Baldwin, in the state of Alabama, and to impose upon the Land mutually beneficial restrictions under a general plan for the benefit of all of the Units and the Owners (hereinafter defined) thereof and to establish and preserve the subject property as a recreational vehicle condominium that will accept Class A, B and Super C Recreational Vehicles, Fifth Wheels, and Travel Trailers, (singularly "RV" and collectively "RVs") none of which may be less than 22' in length. The Declarant, upon recording this Declaration, does submit the Land, together with the improvements thereon, owned by the Declarant in fee simple, to the provisions of the Act to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, improved and in any other manner utilized subject to the provisions of the Act and subject to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Declaration, all of which are declared and agreed to be in furtherance of a plan for the improvement of the Land and the division thereof into condominium ownership and all of which shall run with the land and shall be binding on all parties, including Owners, having or acquiring any right, title or interest in the Land or any part thereof, and shall be for the benefit of each Owner of any portion of the Land or any interest therein, and shall inure to the benefit of and be binding upon each successor-in-interest to the

Owners thereof. It is the intention of the Declarant that by recording this Declaration there will be twenty-nine (29) Units created, all as shown on the Site Plan.

- 1.02 <u>Definitions</u>. In addition to terms separately defined herein, certain terms as used in this Declaration shall be defined as follows, unless the context clearly indicates a different meaning therefor, and shall be consistent with the meanings stated in the Act:
  - A. <u>ACT</u> shall mean the Alabama Uniform Condominium Act of 1991, <u>CODE</u> <u>OF ALABAMA</u>, <u>1975</u>, §35-8A-101 to 417, as the same may be amended from time to time.
  - B. <u>ARTICLES</u> shall mean the Articles of Incorporation of the Association that are filed of record in the Real Property Records.
  - C. <u>ASSESSMENTS</u> shall mean the assessments, charges and services of various types imposed and/or allocable pursuant to Article VI hereof.
  - D. <u>ASSOCIATION</u> shall mean Whispering Pines RV Resort East, A Land Condominium Owners Association, Inc., a nonprofit corporation organized pursuant to the Alabama Nonprofit Corporation Act, <u>CODE OF ALABAMA</u>, 1975, §10-3A-1 to 225.
  - E. **BOARD OF DIRECTORS OR BOARD** shall mean the Board of Directors of the Association, elected pursuant to the Bylaws.
  - F. <u>BUILDINGS</u>, <u>STRUCTURES AND AMENITIES</u> shall mean roads, parking areas, walkways, driveways, yards, community facility with interior laundry facilities, an outdoor swimming pool, and a playground.
  - G. <u>BYLAWS</u> shall mean the Bylaws of the Association providing for the self-government of the Condominium Property by the Association, a copy of which is attached hereto as <u>Exhibit "B"</u> and made a part hereof and which was filed simultaneously hereto in the records in the Office of the Judge of Probate of Baldwin County, Alabama, and made a part hereof for all purposes, as may be amended.
  - H. <u>CERTIFICATION</u> shall mean that the Plans contain certain information as required by the Act and that the improvements are substantially completed in accordance with the Plans, as evidenced by the Certificate of Substantial Completion executed by an independent registered engineer attached hereto as <u>Exhibit "C"</u> and made a part hereof.
  - I. <u>COMMON ELEMENTS</u> shall mean all portions of the Condominium Property other than the Units which are held or designated for use and enjoyment of the Owners and shall include, without limitation, the following:
    - i. the portions of the Land not otherwise constituting a portion of a Unit or a Limited Common Element;
    - ii. the premises and facilities, if any, used for the maintenance or repair of the Property;

- iii. all common recreational facilities, including a community facility with an interior laundry/vending facility, an outdoor swimming pool, a playground, and surrounding areas, yards and walkways;
- iv. sidewalks, boardwalks, fencing, lawn areas, landscaping, trees, curbs, roads, walkways, streets and parking lots;
- v. all easements, rights or appurtenances affecting or relating to the use of the Condominium Property unless specifically included in any Unit;
- vi. all furniture, appliances, equipment and any other personal property transferred or assigned by the Declarant to the Association or from time to time owned or leased by the Association and held for use in common by the Owners; and vii.all other elements (other than the Units) desirable or reasonably susceptible of common use or necessary to the existence, upkeep and safety of the Condominium Property.
- J. <u>COMMON EXPENSES</u> shall mean the expenses arising out of the operation and ownership of the Common Elements and shall include, but not be limited to, expenses of administration of the Common Elements; expenses of insurance; expenses of maintenance, operation, repair, replacement, rehabilitation, restoration, renovation and betterment of the Common Elements and any portion of a Unit maintained by the Association; any valid charge against the Condominium Property as a whole; and any expenses declared to be Common Expenses by the provisions of the Condominium Documents, as the same may be amended, from time to time, in accordance with the provisions thereof.
- K. <u>CONDOMINIUM</u> shall mean Whispering Pines RV Resort East, A Land Condominium and consists of the Condominium Property submitted to the condominium form of ownership by this Declaration.
- L <u>CONDOMINIUM PROPERTY OR PROPERTY</u> shall mean all property, both real, personal, or mixed, which is submitted to the condominium form of ownership as provided for herein.
- M. <u>CONDOMINIUM DOCUMENTS</u> shall mean this Declaration and all Exhibits hereto (including the Bylaws and the Site Plan), the Articles, and the Rules and Regulations, as may hereafter be amended from time to time.
- N. <u>DECLARATION OF CONDOMINIUM OR DECLARATION</u> shall mean this Declaration of Condominium of Whispering Pines RV Resort East, A Land Condominium, as may be amended.
- O. <u>DECLARANT</u> shall mean WP 2018, LLC, an Alabama limited liability company, as the Declarant of the Condominium. Declarant shall also mean its successors and assigns, other than an Owner, who shall receive by assignment from the Declarant all,

or a portion of its rights hereunder as the Declarant, by an instrument expressly assigning such rights as the Declarant to such assignee.

- P. <u>EFFECTIVE DATE</u> shall be the date from and after recording this Declaration in the Office of the Judge of Probate of Baldwin County, Alabama.
- Q. <u>LAND</u> shall mean the parcel or tract of real estate described on <u>Exhibit</u> "A" to this Declaration, submitted to the provisions of this Declaration and the Act.
- R. <u>LIMITED COMMON ELEMENTS</u> shall mean and include any area designated by this Declaration and the Condominium Documents, including the Site Plan and any amendments thereto, as Limited Common Elements and any areas defined in the Act as Limited Common Elements for the exclusive use of one or more, but fewer than all of the Units.
- S. <u>LIMITED COMMON EXPENSES</u> shall mean the expenses arising out of the ownership of the Limited Common Elements and shall include, but not be limited to, the expenses of maintenance, operation, repair, replacement, rehabilitation, restoration, renovation, and betterment of the Limited Common Elements; and expenses declared to be Limited Common Expenses by the provisions of the Condominium Documents, as the same may be amended, from time to time, in accordance with the provisions thereof.
  - T. MEMBERS shall mean and refer to the Association's members.
- U. MORTGAGE shall mean a first lien mortgage, but not a second mortgage, third mortgage, or other subordinate lien, on one (1) or more Units.
- V MORTGAGEE shall mean any holder and/or owner of a mortgage or vendor's lean on any part or all of the Condominium Property.
- W. <u>OWNER OR UNIT OWNER</u> shall mean and refer to every person or entity who is a record Owner of fee simple title interest in a Unit.
- X. <u>PARTITION FENCE</u> shall mean a fence constructed on the boundary line of the Property located as shown on the Site Plan attached hereto and made a part hereof separating the Condominium Property from an adjoining condominium to be known as Whispering Pines RV Resort West, A Land Condominium.
- Y. <u>PLANS</u> shall mean the plans for the development of the Condominium prepared by an independent registered engineer or registered architect, which are marked <u>Exhibit "D"</u> and attached hereto and expressly made a part hereof as though fully set out herein. The Plans contain a Certificate of Completion executed by an independent registered engineer or registered architect in accordance with the Act. The Plans contain a certification that the plans contain all information required by the Act.

- Z. <u>PLAT</u> shall mean a plat of the Land Condominium as shown on <u>Exhibit</u> "E".
- AA. PROPERTY OR LAND CONDOMINIUM PROPERTY OR LAND CONDOMINIUM PROJECT shall mean the Land and all improvements and structures erected, constructed or contained therein or thereon, including all buildings, and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of the Owners, submitted to the provisions of the Act under this Declaration, as amended from time to time.
- BB. **REAL PROPERTY** shall mean the real property marked **Exhibit "A"** which is submitted to the condominium form of ownership as provided for herein.
- CC. **REAL PROPERTY RECORDS** shall mean the records of the Office of the Judge of Probate of Baldwin County, Alabama.
- DD. **RECREATIONAL VEHICLES** shall mean Class A, B, and Super C Recreational Vehicles, Fifth Wheels, and Travel Trailers.
- EE. **RESTRICTIONS ON USE** shall mean the Restrictions on Use concerning the use of Whispering Pines RV Resort East, A Land Condominium, as set out herein in Article VIII of this Declaration, which are deemed necessary for the enjoyment of the Condominium Property, as adopted by the Board of Directors, provided they are not in conflict with the Act or the Condominium Documents, as the same may hereafter be amended from time to time.
- FF. <u>RULES AND REGULATIONS</u> shall mean the Rules and Regulations concerning the use of Whispering Pines RV Resort East, A Land Condominium, as referenced in Article VIII of this Declaration, which are deemed necessary for the enjoyment of the Condominium Property, as adopted by the Board of Directors, provided they are not in conflict with the Act or the Condominium Documents, as the same may hereafter be amended from time to time.
- GG. <u>SITE PLAN</u> shall mean the Site Plan showing the Units, the Common Elements and the Limited Common Elements of the Condominium Property attached hereto as <u>Exhibit</u> "F" and made a part hereof for all purposes, as may be amended.
- HH. <u>UNIT</u> shall mean a physical portion of the Condominium designated for separate ownership or occupancy by an Owner, the vertical or perimetric boundaries of which are shown on the Site Plan, together with an undivided interest in the Common Elements allocated to such Unit as provided herein. The lower boundary of each Unit shall be the horizontal plane lying six (6) feet below the average grade of the Unit, and the upper boundary of the Unit shall be the horizontal plane lying thirty-five (35) feet above the average grade of the Unit. Once constructed or otherwise permanently located within a Unit, any building or other improvement will become a part of the Unit. Notwithstanding

the foregoing, no Unit Owner shall have any right to construct any improvement outside his or her respective Unit. The portion of the Land beneath the lower boundary of each Unit shall be a Limited Common Element for the exclusive use of that Unit.

II. <u>UNIT DRIVEWAY</u> shall mean the driveways that are adjacent to each Unit (the "<u>Driveways</u>") are a Limited Common Element to the particular Unit to which such driveway is adjacent, as more particularly shown on the Site Plan.

#### ARTICLE II DESCRIPTION OF IMPROVEMENTS

- 2.01 <u>Identification of Units</u>. A Site Plan of the Land and improvements thereon and a graphic description of the improvements in which the Units are located identifying each Unit by a number so that no Unit bears the same designation as any other Unit all in sufficient detail to identify the Common Elements, the Limited Common Elements and each Unit and their relative locations and approximate dimensions, are set forth in the Site Plan. The legal description of each Unit shall consist of the identifying number for such as shown on the Site Plan, the name of the Condominium, the name of the county in which the Land is situated, the name of the office in which this Declaration is recorded, and the deed book and page number where the first page of this Declaration is recorded.
- 2.02 <u>Buildings, Structures, and Amenities of the Condominium.</u> There may be roads, parking areas, walkways, driveways, yards, a community facility with interior laundry vending facilities, an outdoor swimming pool and a playground (collectively the "<u>Buildings, Structures, and Amenities</u>"). The Buildings, Structures and Amenities will be Common Elements available for use by Owners and their guests. There is no time frame for the completion of the Buildings, Structures and Amenities and it is understood that "IT NEED NOT BE BUILT".
- 2.03 <u>Unit Driveways</u>. The driveways that are adjacent to each Unit (the "<u>Driveways</u>") are a Limited Common Element to the particular Unit to which such driveway is adjacent, as more particularly shown on the Site Plan. Each such Driveway may be used only by the Unit Owner, and his lessees and guests, to whose Unit such Driveway is appurtenant and only for purposes of providing vehicular and pedestrian access to and from such Owner's Unit and for purposes of parking vehicles, boats and boat trailers thereon (except as is otherwise limited by Article IX hereof).
- 2.04 Ownership of Common Elements and Limited Common Elements. Each Owner shall own a one twenty-nineth (1/29th) undivided interest in the Common Elements and Limited Common Elements with all other Owners, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements and Limited Common Elements for all purposes incident to the use and occupancy of the Owner's Unit as herein provided, without hindering or encroaching upon the lawful rights of the other Owners, which rights shall be appurtenant to and run with the Unit. The extent or amount of such ownership shall remain constant, unless changed in accordance with the provisions hereof or by the unanimous approval of all Owners and Mortgagees. The fractional interest ownership in the Common Elements and the Limited Common Elements of each Owner as set forth herein was calculated by providing each Unit with an equal

ownership interest (i.e., each Unit's ownership interest in the Common Elements and Limited Common Elements is equal to a fraction, the numerator of which is one (1) and the denominator of which is the total number of Units in the Condominium). The Owners of Units with Limited Common Elements which are appurtenant to such Unit as designated or described herein and/or shown upon the Site Plan shall have the exclusive right to use such Limited Common Elements so designated or described unless changed by the Declarant as permitted herein or by the unanimous approval of the Owners and their respective Mortgagees. Each Owner of a Unit to which a Limited Common Element is attached shall have the exclusive right to use the Limited Common Element for all purposes incident to the use and occupancy of such Owner's Unit as herein provided without hindering or encroaching upon the lawful rights of the other Owners, which rights shall be appurtenant to and run with the Units to which the Limited Common Elements are attached.

### ARTICLE III EASEMENTS; TITLE EXCEPTIONS

- 3.01 <u>Easements and Restrictions</u>. The Units, Common Elements and Limited Common Elements shall be, and the same are hereby declared to be, subject to the restrictions, easements, conditions and covenants prescribed and established in the Condominium Documents governing the use of the Units, Common Elements and Limited Common Elements in setting forth the obligations and responsibilities incident to ownership of each Unit and its appurtenant undivided interest in the Common Elements or Limited Common Elements. Said Units, Common Elements and Limited Common Elements are further declared to be subject to the restrictions, easements, conditions and limitations now of record affecting the Condominium Property.
- 3.02 <u>Utility Easements</u>. Utility easements are hereby reserved throughout the whole of the Condominium Property, including Units, as may be required for utility services (including, without limitation, water, sewer, gas, electricity, telephone and cable television) in order to adequately serve the Condominium Property.
- 3.03 Additional Utility Easement. There may be utility equipment located in or on the Common Elements appurtenant to some Units. An easement is hereby reserved in favor of each Unit for the purpose of placement, maintenance, repair and replacement of said utility equipment by the Declarant and the Owner of the appurtenant Unit; provided that no utility equipment shall be placed in any part of the Common Elements or Limited Common Elements other than its present location unless the written approval of the Association shall have first been obtained. The Association shall have the right to grant such permits, licenses and other easements over the Common Elements for utilities, roads and other purposes necessary for the due and reasonable operation of the Condominium.
- 3.04 <u>Easements for Ingress and Egress</u>. The Common Elements shall be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement of way over all roads, parking areas, walkways, halls, stairways, and other Common Elements, in favor of all Owners and the Declarant for all proper and nominal purposes and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of said Owners and the Declarant, subject to all restrictions in the Condominium Documents. The Limited Common Elements shall be, and the same are hereby declared to be, subject to a nonexclusive easement in

favor of the Association for repair, service and other uses reasonably intended or required by the Association.

- 3.05 <u>Easement for Use of Leased or Acquired Property</u>. Each Unit Owner shall have a nonexclusive easement for use of any property hereafter acquired by the Association for the common benefit of the Owners by purchase, lease or otherwise, for all normal and proper purposes for which the same are reasonably intended, subject to all restrictions in the Condominium Documents.
- 3.06 Easements for Encroachments. To the extent that any Unit, Common Element or Limited Common Element encroaches on any other Unit, Common Element, or Limited Common Element, whether by reason of any deviation from the Plan in the original construction, repair, renovation, restoration or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement shall exist, and the same is hereby declared, for the encroachment and/or the maintenance of the same, so long as the encroaching Unit, Common Element or Limited Common Element stands. A valid easement shall not relieve an Owner of liability for such Owner's or such Owner's agents' or employees' negligence or intentional acts in cases of willful and intentional misconduct by an Owner or an Owner's agents or Owner's employees. In the event any Unit, any adjoining Unit, or any adjoining Common Elements or Limited Common Elements shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then constructed, reconstructed or repaired, encroachment on parts of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any of the other Units, Common Elements or Limited Common Elements resulting from such construction, reconstruction or repair shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the encroaching improvements shall stand.
- 3.07 <u>Easement of Support</u>. Each Unit, Common Element and Limited Common Element shall have, and the same is hereby declared, an easement of support from every other Unit, Common Element, and Limited Common Element which provide such support.
- 3.08 Easement for Repair Purposes. An easement is hereby reserved over and through all Units in favor of the Association for purposes of permitting the Association to access any Common Element or Limited Common Element for maintenance, repair or replacement purposes; provided, however, that the Association shall take advantage of and use such easement only when any such Common Element or Limited Common Element is not otherwise reasonably accessible without entering into any such Unit; and provided, further, however, that any entry into a Unit by the Association or its agents pursuant to this Section shall occur in such a manner as to reasonably minimize the disruption caused to any lawful occupants of such Unit except in the event of an emergency wherein there is the potential of damage to life or property, the determination of which shall be in the sole and absolute discretion of the Association, in which event the Association and its agents shall be permitted to make such entry into such Units as is reasonably necessary to address and remedy said emergency.
- 3.09 <u>Easements Appurtenant to Units</u>. The easements and other rights created herein for the Unit Owners shall be appurtenant to the Unit of that Owner and all conveyances of title to the

Unit shall include a conveyance of the easements and rights as herein provided even though no specific reference to such easements and rights appear in such instrument. Any conveyance, encumbrance, judicial sale or other transfer (voluntarily or involuntarily) of an undivided interest in a Common Element shall be void unless the Unit to which that interest is allocated is also transferred to the same recipient as the undivided interest in the Common Element so transferred. The Owners do hereby designate the Association as their lawful attorney-in-fact to execute any and all instruments on their behalf for the purpose of creating all such easements as are contemplated by the provisions hereof.

- constructed on the boundary line of the Property located as shown on the Site Plan attached hereto and made a part hereof separating the Condominium Property from an adjoining condominium to be known as Whispering Pines RV Resort West, A Land Condominium. As easement is hereby reserved in favor of each Unit for the purpose of placement, maintenance, repair and replacement purposes of such Partition Fence, provided however, that the Association shall take advantage of and use such easement only when any such portion of the Partition Fence is not otherwise reasonably accessible without entering into any such Unit; and provided, further, however, that any entry onto a Unit by the Association or its agents pursuant to this Section shall occur in such a manner as to reasonably minimize the disruption caused to any lawful occupants of such Unit except in the event of an emergency wherein there is the potential of damage to life or property, the determination of which shall be in the sole and absolute discretion of the Association, in which event the Association and its agents shall be permitted to make such entry into such Units as is reasonably necessary to address and remedy said emergency.
- 3.11 <u>Title Exceptions</u>. In addition to the items set forth in this Article III, the Condominium Property, Units, Common Elements, and Limited Common Elements are further declared to be subject to the following restrictions, easements, conditions and limitations listed on **Exhibit "G"**.

### ARTICLE IV SPECIAL DECLARATION AND DEVELOPMENT RIGHTS

4.01 Amendment of Condominium Plan. The Declarant reserves the right to change the arrangement of all Units, including without limitation, to alter the boundaries between Units and to increase or decrease the number of Units so long as the Declarant, or its affiliates or stockholders, owns the Units so altered. Changes in the boundaries between Units, as hereinbefore provided, shall be reflected by an amendment to the Site Plan and, if necessary, an amendment to this Declaration. An amendment to the Condominium or this Declaration reflecting an alteration of the boundaries of the Units owned by the Declarant must be signed and acknowledged only by the Declarant and need not be approved by the Owners and Mortgagees, whether or not such approval may elsewhere be required herein; provided, however, that, any change which shall result in a change in the undivided interest in the Common Elements or the Limited Common Expenses with respect to Owners of Units other than the Declarant at the time of such change or which shall result in the alteration of boundaries of Units may not be made without an amendment of this Declaration approved by the Owners and Mortgagees in the manner elsewhere required herein.

- 4.02 Option to Increase Size of Units. The Declarant expressly reserves the right until the second (2nd) anniversary of the recordation of this Declaration to increase the size of any Unit created by this Declaration and owned by the Declarant without the consent of any Owner or Mortgagee. There is no limitation on this option to increase the size of the Units.
- 4.03 <u>Use for Sales Purposes</u>. All Units and the Common Elements shall be subject to the statutory right concerning sales and management offices and models in Units and the Common Elements in favor of the Declarant provided in §35-8A-215 of the Act. The Declarant otherwise expressly reserves the right to use one (1) or more Units owned by the Declarant as models, and any portion of the Common Elements or one (1) or more Units for management offices and/or sales and leasing offices. The Declarant reserves the right to relocate offices and/or models from time to time within the Property. Upon relocation or sale of a model, the management office or sales office and the furnishings thereof may be removed by the Declarant. The Declarant further reserves the right to maintain on the Common Elements advertising signs in any location or locations and from time to time to relocate and/or remove the same, all in the sole discretion of the Declarant.
- 4.04 <u>Use by the Declarant</u>. Subject to the rights of the Mortgagees hereunder, neither the Owners nor the Board of Directors nor their use of the Condominium Property or application of this Declaration shall interfere with the completion of the contemplated improvements and sales of the Units in the Condominium until the Declarant has completed all of the Declarant's contemplated improvements and closed the sales of all of such Units. Subject to the rights of the Mortgagees hereunder, the Declarant may make such use of the unsold Units and of the Common Elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, management office and model units, the showing of the Condominium Property and the Units therein, and the display of signs thereon and therein. These special declarant rights exist so long as the Declarant owns any Unit in the Condominium or holds any Unit in the Condominium for sale in the ordinary course of business or leases any Unit it owns. The Declarant expressly reserves the right to lease any Unit which it may own in the Condominium Property on such terms as it may deem proper and desirable and may transfer Units subject to such lease, including leasing such Unit(s) to the Association for use as a management, sales, or leasing office.

#### ARTICLE V ORGANIZATION AND MANAGEMENT

5.01 <u>Management of the Condominium Property</u>. The operation and administration of the Common Elements, the Limited Common Elements and the Condominium Property shall be performed by the Association. The powers and duties of the Association shall include those set forth in the Act, the Alabama Nonprofit Corporation Act, CODE OF ALABAMA, 1975, §10-3A-1 to 225, this Declaration, the Articles and the Bylaws.

- 5.02 Members. The Members of the Association shall constitute all record Owners of the Units. Change of membership in the Association shall be established by recording in the Real Property Records, the deed or other instrument establishing record fee simple title to a Unit of the Condominium Property, and the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a record Owner and a Member of the Association. Membership of the prior Owner shall thereby be terminated. All present and future Owners, tenants and occupants of the Units shall be subject to and shall comply with the provisions of this Declaration, the Bylaws and the Rules and Regulations. The votes shall be cast in the manner provided in the Articles and Bylaws. Each Unit shall be allocated one (1) vote.
- 5.03 <u>Bylaws</u>. The initial Bylaws shall be filed in the records of the Office of the Judge of Probate of Baldwin County, Alabama, simultaneously herewith, and made a part hereof for all purposes, and may be amended from time to time as set forth therein.
- 5.04 <u>Voting Requirements</u>. Notwithstanding anything contained herein to the contrary, unless a specific voting requirement in excess of a simple majority is required for either a vote of the Board of Directors or a vote of the Members, any such voting requirements shall be construed to require only a simple majority vote.

#### ARTICLE VI ASSESSMENTS

- 6.01 <u>Liability</u>, <u>Lien and Enforcement</u>. The Association is given the authority to administer the operation and the management of the Common Elements and Condominium Property, it being recognized that the delegation of such duties to one entity is in the best interest of the Owners of all Units. To provide the funds necessary for such proper operation, the Association is hereby granted the right to make, levy, and collect assessments against the Owners of all Units to pay Common Expenses and such other expenses which the Association is authorized to incur under the terms and conditions of this Declaration. In furtherance of said grant of authority to the Association to make, levy and collect assessments to pay the costs and expenses for the operation and management of the Condominium Property, the following provisions shall be effective and binding upon the Owners of all Units.
- Assessments. All assessments for the payment of Common Expenses shall be levied annually and paid monthly by the Owners of all Units, and unless specifically otherwise provided for in this Declaration, each Owner of a Unit and each Owner's Unit shall bear the same fractional share of such assessment as the fractional share of ownership for the undivided interest in the Common Elements and Limited Common Elements appurtenant to said Unit; provided, however, the Declarant and the Association shall have the right, but not the obligation, to elect not to make an assessment for Common Expenses or required reserves for such period of time as they shall choose, upon condition that the Declarant pay and guarantee all Common Expenses and required reserves incurred prior to making assessments therefor against Unit Owners. The assessments for Common Expenses shall be payable over the course of the year in advance in monthly installments commencing on the date of the purchase of a Unit or in such other installments and at such times as may be determined by the Board of Directors in accordance with the Association's Bylaws.

- Association shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements and Limited Common Elements that must be replaced or repaired on a periodic basis and may be payable in regular installments rather than by special assessments. Also, a working capital fund shall be established and each Unit Owner purchasing a Unit from the Declarant shall pay a one (1) time assessment equal to two (2) months assessment of Common Expenses at the time of closing the purchase by each Owner of a Unit to be used by the Association as working capital, the balance of which shall be transferred to a segregated fund upon Declarant's transfer of control of the Association to the Unit Owners. The Declarant is prohibited from using the working capital funds to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association. When unsold Units are sold by the Declarant, the Declarant may reimburse itself for funds it paid the Association for an unsold Unit's share of the working capital fund by using funds collected at closing when such Unit is sold.
- Annual Budget. Within ninety (90) days prior to the beginning of each fiscal year of the Association, the Board of Directors shall adopt a proposed annual budget for the next fiscal year, and such budget shall project the amount of funds for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Property, including reasonable allowances for contingencies and reserves therefor if the Board of Directors shall so provide, in accordance with the Act and this Declaration. Said budget shall take into account any projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. Within thirty (30) days after adoption of such annual budget by the Board of Directors, copies of said budget shall be made available to each Member. The Board of Directors shall set a date for a meeting of the Members to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing or delivering the budget to the Members. Unless at such meeting a majority of the Members present in person or by proxy reject the budget, the budget is deemed ratified. In the event the proposed budget is rejected, the budget for the preceding year shall continue in effect until such time as a new budget is ratified. If the budget is ratified, the assessment for said year shall be established based upon such budget. Should the Board of Directors at any time determine in the sole discretion of said Board of Directors that the assessments levied are or may prove to be insufficient for any reason including emergencies and nonpayment of any Owner's assessment, the Board of Directors shall have the authority to levy such additional assessments as it shall deem necessary in accordance with the applicable provisions of the Condominium Documents and the Act.
- 6.05 Omission of Assessment. The omission by the Association, before the expiration of any year, to fix the assessments for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay assessments or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.
- 6.06 <u>Detailed Records</u>. The Association shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Elements and Limited Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements, Limited Common Elements and any other expenses incurred. Records and vouchers authorizing the payments, together with other books, records and financial statements of the

Association shall be available for examination by any Member or Member's representative, or by holders, insurers and guarantors of Mortgages secured by Units, during regular business hours in a location designated by the Board of Directors in Baldwin County, Alabama.

- 6.07 Share of Common Expenses and Limited Common Expenses. Each Unit Owner shall be assessed and is individually liable for a proportionate share of the Common Expenses with each Unit Owner's proportionate share of Common Expenses being the same fraction as the Unit Owner's ownership interest in the Common Elements as described in Article II Section 2.04 hereof. Each Unit Owner shall be assessed and is individually liable for a proportionate share of the Limited Common Expenses with each Unit Owner's proportionate share of Limited Common Expenses being the same fraction as the Unit Owner's ownership interest in the Common Elements as described in Article II Section 2.04 hereof.
- Payment of Common Expenses and Limited Common Expenses. All Unit Owners shall be obligated to pay the assessment for Common Expenses or for the Limited Common Expenses adopted by the Board of Directors pursuant to the terms of this Declaration. No Unit Owner may be exempted from liability for such Unit Owner's contribution toward Common Expenses or Limited Common Expenses by waiver of the use or enjoyment of any of the Common Elements, Limited Common Elements or by abandonment of an Owner's Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses or Limited Common Expenses assessed against such Owner's Unit subsequent to a sale or other conveyance by the Owner of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against such Unit up to the time of conveyance without prejudice to the purchaser's right to recover from the selling Unit Owner the amounts paid by the purchaser therefor. Whenever any Unit may be sold or mortgaged by the Owner thereof, which sale shall be concluded only upon compliance with the other provisions of this Declaration, the Association, upon written request of the Owner or purchaser of such Unit, shall furnish to the Owner, the purchaser or any proposed Mortgagee (within the time period prescribed by the Act) a statement verifying the status of the payment of any assessment which shall be due and payable to the Association by the Owner of such Unit and the other information required by the Act. Any purchaser or proposed Mortgagee may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement. In the event that a Unit is to be sold or mortgaged when any assessment is outstanding against the Owner of such Unit and such assessment due the Association is in default, the purchase or mortgage proceeds shall first be applied by the purchaser or Mortgagee to the payment of any delinquent assessment or installment due the Association before application of the payment to the selling Unit Owner.
- 6.09 <u>Default in Payment of Assessments</u>. The obligation to pay any assessment or installment thereof due the Association shall be in default if such Assessment or any installment thereof is not paid to the Association on or before the due date for such payment. When in default, the delinquent assessment or delinquent installment due the Association shall bear interest at the rate established by the Board of Directors, not to exceed the maximum interest rate per annum allowed by law, until such delinquent assessment or installment and all interest due thereon has been paid in full. The Association shall have a lien against Units for delinquent assessments. Said lien shall secure and does secure the monies due for all assessments then or thereafter levied against the Owner of each Unit, and such lien shall also secure interest, if any, which may be due on the

amount of any delinquent assessment owing the Association. Said lien shall also secure all costs and expenses, including late penalties and reasonable attorneys' fees and court costs incurred by the Association in collecting delinquent assessments and enforcing the same upon said Unit and its appurtenant undivided interest in the Common Elements or Limited Common Elements. The lien granted to the Association may be foreclosed in the same manner as real estate mortgages in the State of Alabama with a Power of Sale. The lien granted to the Association shall further secure such advances for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to protect and preserve its lien, and the Association shall further be entitled to interest at the maximum legal rate on judgments or the rate established by the Board of Directors, whichever is less, on any such advance made for such purpose. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any Unit or who may be given or acquire a mortgage, lien, or other encumbrance thereon are hereby placed on notice of the lien rights granted to the Association and such interest in any Unit shall be acquired expressly subject to the lien. The lien herein granted to the Association shall be effective from and after the time of the recording of this Declaration in the Real Property Records, and no further recordation of any claim of lien for assessment under this section is required. Such lien shall include only assessments which are due and payable when the action to enforce the lien is commenced plus late penalties and penalties imposed by the Association for violations of the Rules and Regulations, interest, costs, reasonable attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided.

6.10 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 which shall prevent it thereafter 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.

### ARTICLE VII MAINTENANCE AND OPERATION OF THE CONDOMINIUM PROPERTY

- 7.01 <u>Association's Obligation to Repair</u>. The Association acting through the Board of Directors shall be responsible for the maintenance, repair and replacement of the following, the costs of which shall be charged to all Unit Owners as a Common Expense:
  - A. the Common Elements; and
  - B. incidental damage caused to a Unit by any work done by the Association.
- 7.02 <u>Maintenance of Limited Common Elements</u>. The Limited Common Elements shall be maintained in accordance with the following: A. Each Unit Owner shall keep the Limited Common Elements appurtenant to his Unit, if any, in a neat and presentable appearance and shall not allow such area to be used for anything other than its intended use; and

- B. The Association shall perform all other maintenance and repair of the Limited Common Elements, the expense of which shall be a Limited Common Expense.
- 7.03 <u>Damage Caused by Unit Owner, Tenant, Etc.</u> Nothing in this Article VII shall relieve a Unit Owner of liability for damage to the Common Elements or Limited Common Elements caused by the Unit Owner, the Unit Owner's family members, guests, invitees, lessees or licensees as a consequence of the negligence, recklessness or willful misconduct of such person. The cost of repair for any damage so caused by the Unit Owner, the Unit Owner's family members, guests, invitees, lessees or licensees shall be a special assessment against the Unit of the Owner responsible therefor.

### 7.04 Owner's Obligation to Repair.

A. Except for those portions of the Condominium Property which the Association is required to maintain and repair, each Owner shall, at such Owner's expense, maintain such Owner's Unit, and all components thereof, in good and tenantable condition and repair, and shall be responsible for the repair, maintenance and replacement, if necessary, of all improvements, fixtures, equipment, and personal property located within such Owner's Unit.

### B. Each Unit Owner agrees as follows:

- i. to perform all maintenance, repairs and replacements which are the Unit Owner's obligations under subparagraph (A) of this Section and subparagraph (A) of Section 7.02 hereof;
- ii. to pay all utilities as herein provided and all taxes levied against the Owner's Unit;
- iii. not to make any addition or alteration to such Unit Owner's Unit (including any improvement located within a Unit) or to the Common Elements or Limited Common Elements or to do any act that would impair the structural soundness, safety or overall design scheme of any part of the Condominium Property or that would impair any easement or right of a Unit Owner or Declarant without the prior written consent of the Association and all Unit Owners affected thereby;
- iv. not to make any alteration, addition, improvement, decoration, repair, replacement or change to the Common Elements, Limited Common Elements, excluding any alteration or addition made pursuant to the procedure described in subparagraph (iii) above, without the prior written consent of the Association; provided that if such consent is granted, the Unit Owner shall use only a contractor approved by the Association, who shall comply with the Rules and Regulations with respect to the work which may be adopted by the Association, and the Unit Owner shall be liable for all damages to another Unit or to the Common Elements or Limited Common Elements caused by any contractor employed by

such Unit Owner or by the subcontractors or employees of such contractor, whether said damages are caused by negligence, accident, or otherwise; and

- v. to promptly report to the Association any defects or needed repairs for which the Association is responsible.
- C. The Association shall be obligated to answer any request by a Unit Owner for any required approval of a proposed addition, alteration or improvement within forty-five (45) days after such request, but its failure to do so within the stipulated time shall not constitute the consent of the Association to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement on or to any Unit shall be executed by the Association, without, however, it incurring any liability on the part of the Board of Directors or any one of them or the Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim of injury to a person or damage to property arising therefrom. The review by the Association under this Section shall in no way make the Association liable for any alterations, additions, or improvements by any Unit Owner. Rather, such review is for purposes of aesthetics and control only. The provisions of this Section shall not apply to Units owned by the Declarant until a deed for such Unit has been delivered to a purchaser other than the Declarant.
- 7.05 Alterations, Additions and Improvements by the Association. Except in the case of loss or damage to the Common Elements or Limited Common Elements as contemplated by Article XI of this Declaration, the Association shall not make any material structural alterations, capital additions or capital improvements to the Common Elements or Limited Common Elements (other than for the purpose of replacing, restoring or rehabilitating portions of the Common Elements or Limited Common Elements which is in accordance with this Declaration and which does not require an expenditure of more than Fifty Thousand and No/100 Dollars (\$50,000.00), exclusive of any funds applied from the reserves maintained hereunder) unless the same is authorized by the Board of Directors and ratified by the affirmative vote of the voting Members casting not less than sixty percent (60%) of the total votes of the Members of the Association present at any regular or special meeting of the Members called for that purpose at which a quorum is present and approved by a majority of the Mortgagees eligible to vote therefor. The cost of such alterations, deletions and improvements shall be assessed against the Owners of Units as provided herein, except as otherwise provided in this Section. Where any alterations or additions as aforesaid are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, then the cost of such alterations or additions shall be assessed against and collected solely from the Unit Owners exclusively, or substantially exclusively, benefitting therefrom, and the assessment shall be levied in such proportions as may be determined to be fair and equitable by the Board of Directors. Where such alterations or additions exclusively, or substantially exclusively, benefit Unit Owners requesting the same, said alterations and additions shall be made only when authorized by the Board of Directors, ratified by not less than sixty percent (60%) of the total votes of the Members present at any regular or special meeting of the Members called for that purpose at which a quorum is present, approved by a majority of the Mortgagees present in person or via

proxy and eligible to vote therefor and also ratified by not less than sixty percent (60%) of the total votes of the Members exclusively, or substantially exclusively, benefiting therefrom. Alterations, improvements or repairs of an emergency nature may be made upon authorization by a vote of the majority of the Directors available for consultation if the same is necessary and in the best interest of the Members.

- 7.06 <u>Utilities</u>. Each Unit Owner shall be required to pay all charges for utilities, including but not limited to electricity, gas, cable television, internet, and telephone service, used or consumed in an Owner's Unit; provided, however, that the Association shall have the right, but not the obligation, to enter into a bulk services agreement with a provider for the provision of cable television, internet and/or telephone services to each Unit in the Condominium, in which event the costs of such agreement shall be assessed as a Common Expense to all Owners. The Association shall arrange for regular trash pick-up and publish guidelines for the disposal of same by the Unit Owners, and the Unit Owners must comply with such guidelines. The utilities serving the Common Elements only, for example, water and sewer, together with any other utilities, alarm services, cable or other television service or similar services determined by the Board, from time to time, to be provided to all Unit Owners shall be separately metered or charged and paid by the Association as a Common Expense. The Association shall have authority to pay the cost of the utilities used or consumed in the Units and have the costs thereof apportioned among the Units based upon use of the utility or any other formula the Association may deem appropriate.
- 7.07 <u>Lawn Care</u>. The Association shall arrange for lawn care of each Unit. The cost of the lawn care of each Unit shall be a Common Expense of the Association.

## ARTICLE VIII RULES AND REGULATIONS

- 8.01 <u>Compliance</u>. Each Unit Owner and the Association shall be governed by and shall comply with the terms of the Condominium Documents and the rules and regulations applicable to the Condominium Property. Ownership of a Unit subjects the Unit Owner to compliance with provisions of the Declaration, the Articles, the Bylaws, the Rules and Regulations of the Association, and any contracts to which the Association is a party, as well as to any amendments to any of the foregoing. Failure of the Unit Owner to comply therewith shall entitle the Association or other Unit Owners to an action for damages or injunctive relief, or both, in addition to other remedies provided in the Condominium Documents and the Acts
- 8.02 Enforcement. The Association, through the Board of Directors, is hereby empowered to enforce the Condominium Documents and all rules and regulations of the Association by such means as are provided by the Act 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 Unit Owner fails to maintain his Unit in the manner required in the Condominium Documents and any rules and regulations of the Association, the Association, through the Board of Directors, shall have the right to assess the Unit Owner and the Unit 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 Owner's Unit and perform the necessary work to effect compliance. Unit Owners shall have

the right to enforce provisions of the Condominium Documents and decisions of the Association against the Association, and, if aggrieved, against other Unit Owners.

- 8.03 Negligence. A Unit 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 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 Unit, or the Common Elements. The liability for such increases in insurance rates shall equal five (5) times the first resulting increase in the annual premium rate for such insurance.
- 8.04 <u>No Waiver of Rights</u>. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, the Condominium Documents, or any rules and regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

### ARTICLE IX RESTRICTIONS ON USE

- 9.01 <u>Restrictions on Use</u>. The use of the Condominium Property is subject to the following restrictions:
  - A. <u>Improvements and Use</u>. Except as expressly provided herein, the Units shall be used exclusively for the parking and use of Class A, B, and Super C Recreational Vehicles, Fifth Wheels, and Travel Trailers (singularly hereinafter referred to as "<u>RV</u>" and collectively "<u>RVs</u>"), none of which may be less than 22' in length. The construction or maintenance of permanent residential structures on the individual Units is prohibited. "**Permanent**" as used herein shall mean continuous occupancy of a Unit by a person that extends more than one hundred eighty (180) consecutive days or shorter period as may be a law or ordinance restricting permanent occupancy on the Condominium. Any RV moved onto the Condominium at any time shall have approval from the Association, including nightly rental RV's. Unit Owners, their guests, successors and assigns, are prohibited from erecting, placing, or keeping on any Unit any permanent or semi-permanent structure or any RV that is designed as permanent living quarters which prohibited structures do include, without limitation, the following:
    - (1) permanent fences, pools, Jacuzzis, spas, bathing facilities, sporting equipment, animal shelters, gates, or clotheslines;
    - (2) mobile homes;
    - (3) any structure that cannot be readily transported by the Owner of the Unit;

- (4) any structure placed on the Unit on blocks or other supports which are permanent or semi-permanent in nature or any structure with removed hitches;
- (5) 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
- (6) any structure designated, intended or used as permanent living quarters or a primary residence.

The provisions of this Section 9.01A 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 Unit is actually in use. This requirement shall not apply to any permissible vehicle which may be allowed to remain on a Unit 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 9.01A or otherwise in this Declaration, Declarant may use any Units owned by Declarant, including without limitation, the Declarant's Units, to maintain reasonable construction, sales, leasing operations, and marketing of the Condominium

and related uses, and no Owner or Lessee shall be entitled to use its Unit in any manner that unreasonably interferes with such rights of Declarant.

- B. <u>Obstruction of the Common Elements</u>. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored in the Common Elements, nor shall anything be constructed on or planted in or removed from the Common Elements, nor shall the Common Elements in any other way be altered without the prior written consent of the Board of Directors.
- C. <u>Nuisance</u>. No immoral, improper, offensive, unsightly, or unlawful use shall be made of any Unit or Common Elements or Limited Common Elements, or any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Condominium shall be observed. Nothing shall be done thereon which is or may become an annoyance or nuisance, public or private, to the neighborhood or which shall interfere with the quiet enjoyment of each of the Owners of their respective Units.
- D. <u>Increase in Insurance Premiums</u>. No Owner shall permit anything to be done or kept on an Owner's Unit or in the Common Elements or Limited Common Elements which will result in any increase of fire or hazard insurance premiums or the cancellation of insurance on any part of the Condominium, or which would be in violation of any law. No waste shall be committed to the Common Elements or Limited Common Elements.

- E. <u>Signs</u>. No sign of any kind shall be displayed to the public view on or from any part of the Unit (including an RV whether inside or outside), without the prior consent of the Board of Directors, except for (i) signs denoting ownership of a particular Unit as initially installed by the Declarant, and (ii) signs temporarily used by the Declarant in the selling or leasing of the Units. Upon sale of a Unit, a new Owner may obtain a new sign for his Unit denoting his ownership thereof; provided, however, that such new sign must be substantially identical to the signs originally erected by the Declarant for such purpose.
- F. Obnoxious or Offensive Activities; Parties. No obnoxious or offensive activities shall be carried on, including but not limited to loud radios or televisions, nor shall any outside lighting or sound speakers or other sound producing devices be used, nor shall anything be done, on any part of the Condominium which, in the sole judgment of the Board of Directors, may be or become an unreasonable annoyance or nuisance to the other Owners. Gatherings of more than six (6) persons on a Unit invited by a host for the purposes of conversation, recreation, or a part of a festival or other commemoration or celebration of a special occasion are prohibited.
- G. <u>Clotheslines</u>. No clothes, sheets, blankets, towels, laundry of any kind or other articles shall be hung out on clotheslines or exposed on outdoor furniture or on any part of the Common Elements or Limited Common Elements.
- H. <u>Hazardous Substances</u>. No one shall use or permit to be brought into any Unit or upon any of the Common Elements any hazardous substances, flammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed extra hazardous to life, limb or property, without the consent of the Board of Directors. For the purposes of this Offering Statement, the term "hazardous substances" shall mean any product, substances, 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 on any Unit, is either: (a) potentially injurious to the public health, safety or welfare, the environment or the Condominium; (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.
- I. <u>Commercial Activities</u>. No Owner or occupant residing within a Unit may conduct any business, trade, garage sale, moving sale, rummage sale, or similar activity at or about the Condominium, whether within a Unit or otherwise, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (ii) the business activity conforms to all zoning and other legal requirements for the Condominium; (iii) the business activity does not involve door-to-door solicitation of residents of the Condominium; (iv) the business activity does not, in the Board of Directors' sole and absolute discretion generate a level of vehicular or pedestrian traffic or a number of vehicles being parked on the Condominium which is noticeably greater than that which is typical of Units in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of the

Condominium and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium as may be determined in the sole discretion of the Board of Directors. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required. Leasing or rental of a Unit shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by Declarant with respect to its development and sale of the Condominium or its use of any Units which it owns within the Condominium, including the operation of model Units and/or a sales office and the operation of a rental or leasing program to which certain Units within the Condominium may be subject. This subsection shall not apply to any activity conducted by the Association with respect to its operation of any of the Common Elements.

- J. Animals. No animal or pet shall be kept for commercial purposes nor be allowed to create or cause any disturbance or nuisance of any kind, including, but not limited to, loud barking, and if an animal or pet does cause or creates a nuisance or an unreasonable disturbance, the determination of which shall be in the sole discretion of the Board of Directors, said animal or pet shall be permanently removed from the Condominium within seven (7 days) from the date the Owner received written notice from the Board of Directors to remove such animal or pet from the Condominium unless the Owner resolves the problem during such seven (7) day period. If any pet or animal is determined in the sole discretion of the Board of Directors to be dangerous, the Board of Directors shall give notice to the responsible Owner to resolve the offending problem within forty-eight (48) hours. If such Owner does not resolve the problem during such forty-eight (48) hours, the Board of Directors shall order the removal of such pet. Animal waste must be removed immediately and disposed of properly. The Owner may only keep a reasonable number of animals or pets. A "reasonable number" shall mean two (2) or fewer animals or pets per Unit. The Owner of any pet or animal shall be liable for any and all damage caused by such animal or pet to any part of the Condominium. Notwithstanding the foregoing, no potbellied pigs, or venomous or constricting snakes, may be brought onto or kept on the Condominium at any time. Dogs must be kept on a leash at all times. Pets are not allowed in the Community facility, the pool area, or on the playground area. No dog of any breed shall be allowed if it is over forty (40) pounds. The following breeds shall not be allowed on the Condominium: Pit bull, Rottweiler, Chow, Presa Canario, Akita, Doberman Pinscher, Staffordshire Terriers, Bull Dogs, Wolf and Wolf hybrids, Mastiff and German Shepherd, or any mixed breed dog that may have any of these aforementioned blood lines or other dogs reputed to be hostile breeds. No dogs shall be tethered or tied up outside an RV. In addition, other animals determined in the Board's sole discretion to be dangerous or a nuisance shall not be brought onto or kept on the Condominium at any time.
- K. <u>Temporary Structures</u>. No structure of a temporary character, trailer, tent, shack, carport, garage, barn, or other outbuilding shall be erected by any Owner, other than

the Declarant, on any portion of the Condominium, at any time, either temporarily or permanently, without the prior approval of the Board of Directors.

- L. <u>Firearms and Fireworks</u>. The display or discharge of firearms on the Unit, Common Elements or the Limited Common Elements is prohibited; provided, however, that the display of lawful firearms on the Common Elements or the Limited Common Elements is permitted by security personnel and law enforcement officers and also is permitted for the limited purpose of transferring firearms across the Common Elements or Limited Common Elements to or from an Owner's Unit. The term "**firearms**" includes "**BB**" guns, pellet guns and other firearms of all types, regardless of size. The display or discharge of fireworks on the Unit, Common Elements or the Limited Common Elements is prohibited.
- M. <u>RV Insurance</u>. The Owner of an RV shall maintain general liability coverage on the RV, and general liability insurance and property and casualty insurance coverage on a Unit at all times. The Owner of an RV shall provide the Association with proof of insurance coverage prior to moving an RV into the Condominium and on an annual basis every year thereafter.
- N. <u>Criteria for RV</u>. The type, color and size of an RV allowed in the Condominium shall be subject to the approval of the Board of Directors. Any RV older than ten (10) years, measured from January 1 of the model year, shall be allowed on a Unit only with a visual inspection in, by, and with approval from the Association.
  - O. <u>Length of RVs</u>. No RV less than 22' in length shall be placed on the Unit.
- P. Ongoing Condition of RV. Each Owner shall be responsible for ensuring that the RV on such Owner's Unit shall be in an operable condition with a current license plate and that the RV shall be kept in an attractive condition so as not to detract from the Condominium. This shall include regular cleaning of the exterior of the RV.
- Q. <u>Electrical Meter and Telephone Service</u>. Electrical and, if desired by an Owner, telephone service to each individual Unit will be metered and billed by the providing company to each Owner.
- R. <u>Utility Service</u>. 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 Unit 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 of Directors. 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.

- S. RV or Car Maintenance; Storage of Equipment; Boat Storage; etc. No RV or car maintenance (other than emergency maintenance) shall be permitted on the Unit without prior approval of the Board of Directors. No equipment, machinery, junk, debris, building materials, or similar matter shall be stored, placed, or kept in or on any Unit, under an RV, or in the parking area. Boats are not allowed to be stored on the Unit.
- T. <u>Propane Tanks</u>. Only propane tanks used in connection with barbecue grills, or RV's which are standard equipment, shall be permitted on any Unit, provided such tanks are in compliance with all applicable codes and laws.
- U. <u>Outside Installations</u>. No outside installations of any type, including, but not limited to, radio antennas, satellite dishes, fences, or flagpoles shall be constructed or maintained on any Unit or the Common Area unless with the prior consent of the Board of Directors. Reasonable outside installations which are constructed as part of the authorized RV shall be permitted. It shall be within the Board of Directors' discretion to determine whether any such outside installation is reasonable.
- V. <u>Vehicle Parking</u>. Only one (1) RV and two (2) other vehicles (automobile, truck or motorcycle) and a golf cart or a motorized vehicle shall be parked or maintained on any Unit. ATVs, mini-bikes, scooters, and UTVs shall be categorized as a motorized vehicle. No RV, automobile, truck, motorcycle, or any other type of motor vehicle, may be washed, cleaned or polished anywhere on the Condominium except on an Owner's Unit.
- W. <u>Re-Subdivision.</u> No Unit shall be re-subdivided nor shall less than an entire Unit be sold.
- X. <u>Improvements</u>. No Improvements shall be installed, situated, placed, erected, or planted on any Unit without the prior consent of the Board of Directors unless otherwise specifically allowed elsewhere in this Declaration. The foregoing shall not require consent for a bird bath if consistent with the guidelines for such as established by the Board of Directors.
- Y. <u>Taxes</u>. 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 its Unit.
- Z. <u>No Private Sewers or Septic Systems</u>. 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.
- AA. <u>Limit on Occupants</u>. In no event shall any RV parked on a Unit thereon have more than four (4) occupants unless with written approval by the Association.
- BB. <u>Trash Pick-Up</u>. The Association shall arrange for regular trash pick-up and publish guidelines for the disposal of same by the Unit Owners, and the Unit Owners must comply with such guidelines.

- CC. Approval by Board of Directors. In all instances where the Board of Directors' consent or approval is required, all requests must be in writing. All requests shall be submitted to the Board of Directors in accordance with the "Notice" provision of this Declaration. The Board of Directors' right to approve or withhold approval shall be in writing and shall be in the Board of Directors' sole and absolute discretion. In no instance shall the Board of Directors' failure to respond to such request be deemed or construed as receipt of the Board of Directors' approval.
- 9.02 <u>Lease of Units</u>. The Association, or its designated rental agent, shall be the sole agent to handle Unit rentals. No Unit Owner shall be allowed to operate as his own rental agent or to hire an outside rental agent. Only entire Units may be leased by the Unit Owner; provided, however, that any such lease and the rights of any tenant thereunder are hereby made expressly subject to the power of the Association to prescribe reasonable rules and regulations relating to the lease and rental of Units and to enforce the same directly against such tenant or other occupant by the exercise of such remedies as the Board deems appropriate, including eviction. Further, all leases must be in writing, with a copy provided to the Association. These restrictions on use shall be a covenant running with each Unit, creating a burden on each single Unit and Unit Owner for the benefit of every other Unit and Unit Owner. Notwithstanding anything contained in this Section 9.02 to the contrary, each Owner shall be responsible for the actions of his tenants and nothing herein or in any such lease shall relieve an Owner of his obligations under the Condominium Documents. Each Unit Owner who has or who shall lease his Unit irrevocably empowers and authorizes the Association or its managing agent to enforce the Rules and Regulations as referenced in Article VIII herein and the restrictions set out in Article IX Section 9.01 herein and to terminate the lease of and evict any tenant who fails to comply with said Rules and Restrictions or who provides other sufficient cause for termination of the lease and eviction in accordance with the laws of the State of Alabama, the Condominium Documents, or any contract for lease. The Association, the Board or its managing agent shall not become liable to any Unit Owner or sublessor or other party for any loss of rents or other damages resulting from the reasonable exercise of the provisions of this Section. The provisions of this Section shall not be applicable to the Declarant who is irrevocably empowered without any limitation at all times, whether for permanent or temporary occupancy to sell, lease or rent Units for any period and under any terms to any lessees or purchasers or transferees with the right to take any action necessary to consummate the sale or rental of said Units, including, but not limited to, the right to maintain model Units, post signs, have employees in the offices maintained in the Condominium buildings, use the Common Elements and show Units to prospective tenants. Sales and rental office signs and all items pertaining to the rental or sale of Units shall not be considered Common Elements and shall remain the property of the Declarant.
- 9.03 No Right of First Refusal. The right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restriction in favor of the Declarant.
- 9.04 Right of Access. Each Unit Owner grants a right of access to such Owner's Unit to the Association, and to any other person authorized by the Association, for the purpose of making inspections and for the purpose of correcting any condition originating in or on an Owner's Unit

and threatening other Units, Common Elements or Limited Common Elements or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements within an Owner's Unit, if any, or to correct any condition which violates the provisions of any Mortgage covering another Unit, or to enforce any provision of the Condominium Documents, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not. Each Unit Owner further grants a right of access to such Owner's Unit to the Declarant and/or the Declarant's agent for the purpose of making all repairs required by any warranty delivered to the Unit Owner at the closing of the sale of an Owner's Unit. To the extent that damages inflicted on the Common Elements, Limited Common Elements or any Unit through which access is taken, the Unit Owner or the Association, if it causes the same, shall be liable for the prompt repair thereof.

- 9.05 <u>Limitation of Liability</u>. The Association shall not be liable for any failure of water or power supply, telephone, security, fire protection or other service to be obtained by the Association or paid for out of the Common Expense funds or problems resulting from the operation or lack of operation of sewer lines or any other utility servicing the Condominium Property, or for injury or damage to a person or property caused by the natural elements or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements, Limited Common Elements or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Unit for the loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements or Limited Common Elements. No diminution or abatement of the Common Expense assessments, as herein elsewhere provided, shall be claimed or allowed for any reason, except by action taken by the Board of Directors in accordance with the Bylaws.
- 9.06 Abatement of Violations. The violation of any Rule or Regulation adopted by the Board of Directors or breach of the provisions of the Condominium Documents shall give the Declarant, the Association, or any Unit Owner the right, in addition to any other right or remedy elsewhere available, to levy a fine, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. All expenses of such actions or proceedings against a defaulting Unit Owner, including court costs, attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the highest lawful rate on judgments until paid, shall be charged to and assessed against such defaulting Owner, and the Association shall have a lien for all of the same upon the Unit of such defaulting Owner, upon all of such defaulting Owner's additions and improvements thereto and a security interest under the Alabama Uniform Commercial Code upon all of such defaulting Owner's personal property including but not limited to the RV located on such defaulting Owner's Unit. Nothing herein contained shall prevent an Owner from maintaining such an action or proceeding against the Association and the expense of any action to remedy a default of the Association shall be a Common Expense if a court of competent jurisdiction finds the Association to be in default as alleged in such action or proceeding.
- 9.07 <u>No Waiver of Remedies</u>. Failure of the Association to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to

institute any action shall not be construed as a waiver or a relinquishment from the future performance of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of any assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed to be a waiver of such breach and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors.

### ARTICLE X RIGHTS OF MORTGAGEES

10.01 Notification of Mortgagees Required. Any Mortgagee who properly notifies the Association in accordance with the terms of Section 10.04 hereof shall have the right to be given written notification by the Association of (a) any sixty (60) day default by the Owner of the Unit covered by the Mortgage in the payment of assessments or in any other provision of the Condominium Documents; (b) any loss to or taking of the Common Elements or Limited Common Elements if such loss or taking should, in the opinion of the Board, be estimated to exceed Ten Thousand and No/100 Dollars (\$10,000.00); (c) damage to a Unit covered by the Mortgage if the amount of such damage exceeds Ten Thousand and No/100 Dollars (\$10,000.00); (d) any condemnation of all or a portion of the Condominium Property; (e) a lapse or cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (f) any proposed action that requires the consent of a specified percentage of Mortgagees.

10.02 <u>Right of Inspection</u>. Mortgagees shall have the right to examine the books and records of the Association or the Condominium Property and to receive annual reports, other financial data, and, upon Mortgagee's request, a copy of the annual compiled statement, if any, within one hundred twenty (120) days following the end of any fiscal year of the Association.

### 10.03 Priority of Mortgagees.

- A. Any lien which is or may be created hereunder upon any Unit, including, but not limited to, the lien created for assessments herein and the right to foreclose the same is and shall be subject and subordinate to and shall not affect the rights of the holder of the indebtedness secured by any Mortgage upon such interest made in good faith and for value and recorded prior to the creation of the lien hereunder, provided that after the foreclosure of any such Mortgage there may be a lien created pursuant to this Declaration on the interest of the purchaser as an Owner after the date of such foreclosure sale to secure all assessments hereunder. After the date of such foreclosure sale, said lien, if any, shall be claimed and shall have the same effect and be enforced in the same manner provided herein. Notwithstanding the foregoing, the lien created pursuant to this Declaration is prior to any Mortgage to the extent of the Common Expense assessments based on the annual budget which would have become due in absence of acceleration during the six (6) months immediately preceding institution of an action to enforce the lien.
- B. No provision of this Declaration, the Articles, the Bylaws or the Rules and Regulations shall be construed to grant to any Unit Owner, or to any other party any priority over any rights of the Mortgagees of the Units pursuant to their Mortgages in the case of

distribution to Unit Owners of the insurance proceeds or condemnation awards for losses or a taking of Units or the Common Elements, the Limited Common Elements or any portion thereof.

- C. As provided in the Act, all assessments, property taxes and other charges imposed by any taxing authority which may become liens prior to a Mortgage, shall be separately assessed against and collected on each Unit as a single parcel, and not on the Condominium Property as a whole.
- D. No breach of the covenants, conditions or restrictions herein contained shall defeat or render invalid the lien of any Mortgage made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or otherwise.
- 10.04 Request for Protection by Mortgagees. Whenever any Mortgagee desires the benefit of the provisions of this Article to be applicable to such Mortgagee, the Mortgagee shall serve written notice of such fact upon the Association, by registered or certified mail, addressed to the Association, and actually mailed to the Association's address, identifying the Unit upon which it holds a Mortgage or identifying any Units owned by it, together with sufficient pertinent facts to identify any Mortgage which may be held by the Mortgagee. Said notice shall designate the place to which the notices are to be given by the Association to such Mortgagee.
- 10.05 <u>Blanket Mortgages</u>. The entire Condominium Property, or some or all of the Units included therein, may be subjected to a single or blanket mortgage constituting a first lien thereon created by a recordable instrument executed by all of the Owners of the Condominium Property or Units covered thereby. Any Unit included under the lien of such mortgage may be sold or otherwise conveyed or transferred subject thereto. Any such mortgage shall provide a method whereby any Unit Owner may obtain a release of his Unit from the lien of such mortgage and a satisfaction and discharge in recordable form upon payment of the holder of the mortgage of a sum equal to the reasonable proportionate share attributable to his Unit of the then outstanding balance of unpaid principal and accrued interest, and any other charges then due and unpaid. The proportionate share of the mortgage required to be paid for release shall be determined by provisions pertaining thereto stated in the mortgage, or, if the mortgage contains no such provisions, then according to the proportionate share of the Common Elements of the Condominium attributable to such Unit or Units.

### ARTICLE XI CASUALTY LOSS AND INSURANCE

#### 11.01 Responsibility of Owners; Separate Insurance Coverage.

A. The Owner of each Unit shall be responsible for, at the Unit Owner's expense, obtaining insurance coverage for loss of or damage to the Owner's Unit, and all components thereof, or Limited Common Elements serving his Unit, any improvements constructed in his Unit, and any furniture, furnishings, decorations, personal effects, and other property belonging to such Owner as well as the Recreational Vehicle located on

such Unit, and shall, at the Unit Owner's expense, obtain insurance coverage against personal liability for injury to the person or property of another while within such Owner's Unit or upon the Common Elements or Limited Common Elements. Risk of loss of or damage to any furniture, furnishings, personal property, and to the Recreational Vehicle belonging to or carried on the person of the Owner, or which may be stored in or upon any Unit, or in or upon Common Elements or Limited Common Elements, shall be borne by the Owner of each Unit. All furniture, furnishings and personal property constituting a portion of the Common Elements and held for the joint use and benefit of all Owners of Units shall be covered by such insurance as the same shall be maintained in force and effect by the Association as hereinafter provided. Each Owner shall be required to notify the Association of all improvements made by the Owner to the Owner's Unit, the value of which is in excess of Five Thousand and No/100 Dollars (\$5,000.00). All insurance obtained by the Owner of each Unit shall, whenever such provisions shall be available, provide that the insurer waives its right of subrogation as to any claims against other Owners, the Association or the Declarant, and their respective servants, agents, employees and guests.

#### 11.02 <u>Insurance to be Maintained by the Association.</u>

Hazard Insurance. The Association shall obtain and maintain at all times a policy or policies of multi-peril type hazard insurance, including insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other land condominium projects similar in construction, design, location and use, insuring the Condominium Property against loss or damage by the perils of fire, lightning and those perils contained in extended coverage, vandalism and malicious mischief endorsements. If the Condominium Property is located in an area identified by the Secretary of Housing and Urban Development as having special flood hazards, the Board shall, to the extent obtainable, insure the insurable property included in the Condominium Property against the perils of flood under the National Flood Insurance Act of 1968 and acts amendatory thereto. The amount of insurance coverage shall be determined on a replacement cost basis in an amount not less than one hundred percent (100%) of the then current replacement cost of the improvements, including fixtures, equipment and other personal property of the Association (but excluding land, foundations, excavations and other items usually excluded from such insurance coverage). Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Association or the Insurance Trustee (hereinafter defined), as trustee, for the use and benefit of the individual Owners (without naming them) in the proportionate shares equal to their respective fractional ownership of the Common Elements and Limited Common Elements. Periodically, prior to the renewal of any such policy or policies of insurance, the Association shall either obtain an opinion or an appraisal from a qualified insurance appraiser for the purpose of determining the full replacement cost of the Common Elements, the Limited Common Elements and the Buildings, Structures and Amenities for the amount of insurance to be obtained pursuant hereto. The cost of any such opinion or appraisal shall be a Common Expense. All such policies of insurance shall comply with the provisions of this Article and shall (i) contain a standard mortgagee loss payable clause endorsement in favor of the Mortgagee or Mortgagees of each Unit, if any,

as their respective interests may appear; and (ii) provide that the insurance shall not be invalidated by any act or neglect of any Owner.

- B. Public Liability and Property Damage Insurance. The Association shall obtain and maintain at all times a comprehensive policy or policies of public liability and property damage insurance in such amount, but not less than One Million Dollars (\$1,000,000), and in such form as shall be required by the Association to protect said Association and the Owners of all Units, which provide coverage for bodily injury and property damage resulting from the operation, maintenance or use of the Common Elements and Limited Common Elements and for legal liability resulting from employment contracts, if any, to which the Association is a party, and for claims against the officers and members of the Board of Directors for claims arising out of the negligent performance of their duties.
- C. <u>Worker's Compensation Insurance</u>. In the event the Association has employees, the Association shall obtain and maintain a policy or policies of worker's compensation insurance to meet the requirements of the laws of the State of Alabama.
- D. <u>Fidelity Bonds</u>. The Association shall obtain and maintain fidelity bonds for any person who either handles or is responsible for funds held or administered by the Association naming the Association as the obligee. The amount of the fidelity bond shall cover the maximum funds that will be in the custody of the Association, but not less than the sum of three (3) months' assessments on all Units plus the reserve funds of the Association, if any.
- E. <u>Other Insurance</u>. The Association shall obtain and maintain such other insurance coverage as the Board of Directors, in its sole discretion, may determine from time to time to be in the best interest of the Association and the Owners of all Units.
- 11.03 <u>Governing Provisions</u>. All insurance obtained and maintained by the Association as provided above shall be governed by the following provisions:
  - A. All policies shall (i) comply with the hazard and casualty insurance requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association as they shall apply to condominium loans; and (ii) be written with a company licensed to do business in the State of Alabama and holding a financial rating of "A-" or better by Best's Insurance Reports or other then comparable rating. To the extent that the provisions of this Declaration with respect to the maintenance of insurance shall conflict with the hazard and casualty insurance requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, then the requirements of the Federal Home Loan Mortgage Association shall control, and such requirements shall be complied with by the Association.

- B. Exclusive authority to adjust all claims under the policies hereafter in force on the Condominium Property or otherwise required hereunder shall be vested in the Association or its authorized representatives.
- C. In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with the insurance purchased by the individual Owners or their Mortgagees.
- D. The Association shall be required to make every effort to secure insurance policies that will provide for the following:
  - i. A waiver of subrogation by the insurer as to any claims against the Association, the Board of Directors, the Declarant or the Owners;
  - ii. An agreement by the insurer that the insurance coverage cannot be terminated or materially changed without thirty (30) days prior written notice to the Association, each Unit Owner, and the Mortgagee of each Unit to whom a certificate of insurance has been issued at such Mortgagee's last known address;
  - iii. The insurance coverage will be primary, even if a Unit Owner has other insurance that covers the same loss; and
  - iv. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
- 11.04 <u>Premiums</u>. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense except that the amount of increase over the usual premium occasioned by the use, misuse, occupancy or abandonment of a Unit or its appurtenances or of the Common Elements by an Owner shall be assessed against that Owner.
- Insurance Trustee. The Association may engage the services of a bank or trust company authorized to do trust business in the State of Alabama and having a capital surplus of not less than Fifty Million Dollars (\$50,000,000) to act on its behalf as an insurance trustee ("Insurance Trustee") and to receive and disburse the insurance proceeds in accordance with the provisions of this Declaration. In the event the lower of two (2) bids from reputable contractors for making all repairs required by any such loss shall exceed Fifty Thousand and No/100 Dollars (\$50,000.00), the Association upon written demand of the Mortgagee of any Unit shall engage the services of a bank or trust company to act as Insurance Trustee as aforesaid. The Association, as a Common Expense, shall pay a reasonable fee to said Insurance Trustee for its services rendered hereunder, and shall pay such costs and expenses as said Insurance Trustee may incur in the performance of any duties and obligations imposed upon it hereunder. Said Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then for only such money which comes into the possession of said Insurance Trustee. Whenever the Insurance Trustee may be required to make a distribution of insurance proceeds to Owners of Units and their Mortgagees, as their respective interests may appear, or to any other party for repair, replacement

or reconstruction of property, the Insurance Trustee may rely upon a certificate of the President and Secretary of the Association, executed under oath, which certificate will be provided to said Insurance Trustee upon request made to the Association. Such certificate is to certify unto said Insurance Trustee the name of the Owner of each Unit, the name of the Mortgagee who may hold a Mortgage encumbering each Unit, and the respective percentages of any distribution which may be required to be made to the Owner of any Unit, and the Unit Owner's respective Mortgagee, as their respective interests may appear, or to certify the name of the party to whom payments are to be made for repair, replacement or reconstruction of all or a portion of the Condominium Property. The rights of the Mortgagee of any Unit under any standard mortgagee clause endorsement to such policy shall, notwithstanding anything to the contrary therein or in any Mortgage contained, at all times be subject to the provisions hereof with respect to the application of insurance proceeds to reconstruction of the damaged Condominium Property; provided, however, that if the Association or the Insurance Trustee fails to perform all the conditions precedent required by the policy or policies of insurance, and fails to collect the amount of the loss within the time required by law, and the Mortgagee or Mortgagees are required to avail themselves of their rights under the standard mortgagee clause to collect the proceeds of the policy or policies of insurance, any amount so collected through the efforts of said Mortgagee or Mortgagees shall be applied as directed by said Mortgagee or Mortgagees. No provision hereof shall entitle an Owner or any other party to any priority over a Mortgagee with respect to the distribution of any insurance proceeds with respect to such Unit.

11.06 Loss to Common Elements Only. In the event of the loss of or damage to only Common Elements, real or personal, by reason of fire or other casualties, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or the Insurance Trustee, as the case may be, to cover such loss or damage shall be applied by the Association to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds shall be paid by the Insurance Trustee to the Owners of all Units, the distribution to be separately made to the Owner of each Unit and Unit Owner's respective Mortgagee, as their interests may appear, in such proportion that the share of such excess insurance proceeds paid to the Owner of each Unit and Unit Owner's Mortgagee shall bear the same ratio to the total excess insurance proceeds as the undivided interest in the Common Elements appurtenant to each Unit bears to the total undivided interest in the Common Elements appurtenant to all Units. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty, loss or damage payable to the Association or the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall pay or shall deposit sufficient funds with the Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be so paid, or deposited by the Association with the Insurance Trustee, may be paid by the Association out of its reserve or replacement fund and if the amount in such reserve or replacement fund is not sufficient, or if the Board of Directors determines not to use such fund for said purpose, then the Association shall levy and collect an assessment against the Owners of all Units in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

11.07 Loss to All Elements. In the event of loss of or damage to the Common Elements and the Limited Common Elements by reason of fire or other casualty, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or Insurance Trustee, as the case may be, to cover such loss or damage, shall be first applied to the repair, replacement or reconstruction of the Common Elements, then to the repair, replacement or reconstruction of the Limited Common Elements sustaining any loss or damage, then such excess insurance proceeds shall be paid and distributed by the Insurance Trustee to the Owners of all Units, and to their Mortgagees, as their respective interests may appear. Such distributions are to be made in the manner and in the proportions as are provided for the distribution of insurance proceeds under this Article. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association or the Insurance Trustee, as the case may be, are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then the Board of Directors shall, based on reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the Common Elements and the Limited Common Elements sustaining any loss or damage. If the proceeds of said fire and casualty insurance, if any, are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to the Common Elements, but are not sufficient to repair, replace or reconstruct any loss of or damage to the Limited Common Elements sustaining damage, then the Association shall levy and collect an assessment from the respective Owners to whom Limited Common Elements have been allocated which sustained any loss or damage, and the assessment so collected from said Owners shall be deposited with the Insurance Trustee, if any, so that the sum shall be on deposit for the repair, replacement or reconstruction of all Common Elements and Limited Common Elements, if any. If the fire and casualty insurance proceeds, if any, payable to the Association or the Insurance Trustee in the event of the loss of or damage to Common Elements and the Limited Common Elements are not an amount which will pay for the complete repair, replacement or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to the payment for repair, replacement or reconstruction of said Common Elements before being applied to the repair, replacement or reconstruction of any Limited Common Element sustaining loss or damage, then the cost to repair, replace, or reconstruct said Common Elements in excess of available fire and casualty insurance proceeds shall be levied and collected as an assessment from the Owners of all Units in the same manner as would be levied and collected had the loss or damage sustained been solely to the Common Elements and the fire and casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction. The cost of repair, replacement or reconstruction of the Limited Common Elements sustaining loss or damage shall then be levied and collected by assessment of the Owners to whom Limited Common Elements have been allocated and which have sustained the loss or damage in the same manner as is above provided for the apportionment of such assessment between Owners of Limited Common Elements sustaining loss or damage.

11.08 Estimates of Repair; Plans and Specifications; Payment of Assessments. In the event of loss or damage to Common Elements or Limited Common Elements, the Association shall, within sixty (60) days after any such occurrence, if reasonably possible, obtain reliable and detailed estimates of the cost of restoring damaged property to a condition as good as that which prevailed before such loss or damage. The estimate of repair shall be based upon the plans and

specifications of the original improvements as improved to the date of formation of the Condominium, or such other plans and specifications as may be approved by the Board of Directors, and by not less than sixty percent (60%) of the Members of the Association. The Association shall be appointed as attorney-in-fact for each Unit Owner for the purpose of representing the Unit Owners in any proceeding, negotiation, settlement, or agreement arising from any loss or damage to the Common Elements or the Limited Common Elements. Such estimates are to contain and include the cost of any professional fees and premiums for such bonds as the Board of Directors may deem to be in the best interest of the membership of the Association. Whenever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the cost of repair, replacement or reconstruction thereof, the additional money required to completely pay for such repair, replacement or reconstruction of said loss or damage shall be paid to the Association and deposited with the Insurance Trustee, if any. The Association shall give the Owners notice of such obligation as soon as the Association becomes aware of such obligation and such money shall be paid to the Association in accordance with the foregoing sentence not later than thirty (30) days from the date on which the Association or the Insurance Trustee, as the case may be, shall receive the monies payable from the policies of fire and casualty insurance.

11.09 Losses to Units. In the event of loss of or damage to a Unit by reason of fire or other casualty, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Unit Owner to cover such loss or damage, shall be first applied to the repair, replacement or reconstruction of such Unit to the extent reasonably possible. In the event of loss or damage to a Unit, the Unit Owner shall, within sixty (60) days after any such occurrence, if reasonably possible and if not as soon thereafter as is reasonably possible, obtain reliable and detailed estimates of the cost of restoring damaged property to a condition as good as that which prevailed before such loss or damage. The estimate of repair shall be based upon the plans and specifications of the original improvements as improved to the date of the issuance of the certificate of occupancy for such improvement, or such other plans and specifications as may be approved by the Board of Directors. In the event of loss of or damage to a Unit by reason of fire or other casualty and where there are sufficient insurance proceeds from which to repair, replace or reconstruct the Unit, the Unit Owner shall cause such repair, replacement or reconstruction of such Unit to occur in a timely manner. In any event, the Unit Owner shall cause any improvements within his Unit that are damaged beyond repair to be removed from his Unit within ninety (90) days of the casualty event causing such damage.

# ARTICLE XII CONDEMNATION

12.01 <u>Condemnation of a Single Unit</u>. If only one Unit is acquired by eminent domain or other governmental action (each hereinafter referred to as a "<u>taking</u>"), or if part of only one Unit is acquired by a taking leaving the Unit Owner with a remnant that may not practically or lawfully be used for any purpose permitted in this Declaration, upon acquisition, unless the decree otherwise provides, that Unit's allocated interests hereunder shall automatically be reallocated to the remaining Units in proportion to the respective allocated interests of those Units before the taking, and the Association shall properly prepare, execute, and record an amendment to this Declaration reflecting the reallocations. Any remnant of a Unit remaining after part of a Unit is

taken as described in this Section shall thereafter become a Common Element. Any such Unit Owner whose Unit is so taken shall be entitled to all of the proceeds received as a result of such taking that are attributable to such Owner's Unit.

- 12.02 <u>Partial Condemnation</u>. Except as provided in Section 12.01 above, if part of a Unit is acquired by a taking, upon acquisition, unless the decree otherwise provides, that Unit's allocated interests in the Common Elements and the Limited Common Elements shall not be reduced.
- 12.03 <u>Condemnation of Multiple Units</u>. In the event that one or more Units are taken in part and the Condominium is not terminated, the taking shall have the following effects:
  - A. If the taking reduces the size of a Unit and the remaining portion of that Unit can be made tenantable, the award for the taking of the taken portion of the Unit shall be used for the following purposes in the order stated, and the following changes shall be affected in the Condominium:
    - i. The Unit shall be made tenantable.
    - ii. The balance of the award, if any, shall be distributed to the Owner of the Unit and the Mortgagee of the Unit, as their respective interests may appear.
    - iii. If there is a balance of the award distributed to the Owner and the Mortgagee, the share of the Common Elements or Limited Common Elements, if any, appurtenant to the taken Unit shall be equitably reduced. This shall be done by reducing such share by the proportion which the balance of the award so distributed bears to the market value of the Unit immediately prior to the taking, and then re-computing the shares of all Owners in the Common Elements and the Limited Common Elements as percentages of the total of their shares as reduced by the taking.
    - iv. If the taking destroys or so reduces the size of a Unit so that it may not be made tenantable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be affected in the Condominium:
      - a). The market value of such Unit immediately prior to the taking, shall be paid to the Owner of the Unit and to each Mortgagee of the Unit, as their respective interests may appear.
      - b). The remaining portion of such Unit, if any, shall become a part of the Common Elements and shall be placed in condition for use by all of the Owners, in the manner approved by the Board of Directors; provided, however, that if the cost of such work shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner required for further improvement of the Common Elements as provided herein.

- c). The shares in the Common Elements appurtenant to the Units which continue as a part of the Condominium shall be equitably adjusted to distribute the ownership of the Common Elements among the reduced number of Owners. This shall be done by recomputing the shares of such continuing Owners in the Common Elements as percentages of the total of the shares of such Owners as they exist prior to the adjustment.
- d). If the amount of the award for a taking is not sufficient to pay the market value of the condemned Unit to the Owner and/or the Owner's Mortgagee, as their interests may appear, and to restore the remaining portion of the Unit in condition for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by assessments against all of the Owners who will continue as Owners of the Units after the changes in the Condominium Property effected by the taking. Such assessment shall be made in proportion to the share of such Owners in the Common Elements after the changes effected by the taking. B. If market value of a Unit prior to the taking cannot be determined by agreement between the Owner, the Owner's Mortgagee and the Association within thirty (30) days after notice by any such party that agreement cannot be reached, such value shall be determined by three (3) independent qualified appraisers with one (1) appraiser to be selected by the Association, one (1) appraiser to be selected by the Owner and the Owner's Mortgagee, jointly, and the third (3rd) appraiser to be selected by the two (2) appraisers so appointed, and the fair market value of the Unit shall be deemed to be the average of the two (2) appraisals of the fair market value of the Unit made by said appraisers having the least difference in amount. If such process results in two (2) different market values, one higher than the other, the higher market value as so determined shall be deemed to be the fair market value of the Unit. The cost of such appraisal shall be assessed against all Owners in proportion to the shares of the Owners in the Common Elements as they existed prior to the changes effected by the taking.
- C. Changes in the Units, in the Common Elements and/or Limited Common Elements, in the ownership of the Common Elements and/or Limited Common Elements and in the shares of liability for Common Expenses and/or Limited Common Expenses which are affected by eminent domain, shall be evidenced by an amendment of this Declaration which is approved by the Board of Directors in accordance with this Declaration and the Association's Bylaws.
- 12.04 <u>Association Appointed as Attorney-In-Fact for Unit Owners</u>. The Association is hereby appointed as attorney-in-fact, coupled with an interest, for each Unit Owner for the purpose of representing such Unit Owners in any proceeding, negotiation, settlement or agreement arising from the condemnation or taking by eminent domain of the Condominium Property or any portion thereof.

### ARTICLE XIII TERMINATION

### 13.01 Destruction of the Condominium.

- A. Notwithstanding anything to the contrary contained in this Declaration, if the Board of Directors shall determine that either of the following conditions exist:
  - i. two-thirds (2/3) or more of the Units in the Condominium shall have been destroyed or substantially damaged by fire, wind, water, or other natural causes, or a combination of such, (including condemnation); or
  - ii. the Condominium has been in existence in excess of fifty (50) years after the date of this Declaration shall have been executed and substantially all of the Units in the structure have substantially deteriorated and have been rendered substantially obsolete; then the Board of Directors may call a meeting of the Members to consider and vote upon whether to restore, repair and/or rebuild the Condominium, and if not, whether to terminate this Declaration and remove the Condominium from the provisions of the Act. If approved by the affirmative vote of at least eighty percent (80%) of the Owners of all Units (based upon one vote for each Unit) and by at least eighty percent (80%) of all Mortgagees (based upon one vote for each Mortgage owned) after notice given as provided herein, this Declaration and plan of condominium ownership established herein shall be subject to termination as provided in the Act and the Association shall be authorized to file on behalf of and in the name of the Unit Owners a petition for such termination and removal with the Circuit Court of Baldwin County, Alabama. If less than eighty percent (80%) of the Owners of all Units and/or less than eighty percent (80%) of the Mortgagees vote in favor of terminating the Condominium as herein required, the Condominium shall be restored, repaired and/or rebuilt in accordance with these provisions.
- B. In the event that the Circuit Court of Baldwin County, Alabama, shall grant the petition for termination of this Declaration and the plan of condominium ownership as provided in subparagraph (A) above, all of the Owners of Units shall be and become tenants in common as to ownership of the Land and any then remaining improvements thereon. The undivided interest in the Land and remaining improvements held by the Owner of each Unit shall be the same as the undivided interest in the Common Elements which were formerly appurtenant to such Unit, and the lien of any Mortgage or other encumbrance upon each Unit shall attach to the percentage of undivided interest of the Owner of a Unit in the Land and then remaining improvements as above provided. The Owners of Units to

which Limited Common Elements have been allocated in this Declaration shall own each such Limited Common Element appurtenant to each Owner's Unit, and the lien of any Mortgage or other encumbrance upon such Units shall attach to the Limited Common Elements of each respective owner's Unit. Upon termination of this Declaration and the plan of condominium ownership established herein, the Owners of all Units still habitable shall within sixty (60) days from the date of the granting of the petition, deliver possession of their respective Units to the Association. Upon such delivery of possession, the Owners of habitable Units and their respective Mortgagees, as their interests may appear, shall become entitled to participate proportionately together with all Owners of uninhabitable Units in the distribution of proceeds in the possession of the Association or the Insurance Trustee. Upon such termination of this Declaration and the plan of condominium ownership established herein, the Association or the Insurance Trustee, as the case may be, shall distribute any insurance proceeds which may be due under any policy of casualty insurance to the Owners of the Units and their mortgagees as their respective interests may appear, such distribution to be made to the Owner of each Unit in accordance with such Owner's then undivided interest in the Land and remaining improvements as therein provided. The Land and any remaining improvements thereon shall be subject to all easements of record, except the easements created in the Condominium Documents. The assets of the Association upon termination of the plan of condominium ownership created by this Declaration shall then be distributed to the Owner of each Unit and Unit Owner's Mortgagee, as their respective interest may appear, in the same manner as is above provided for the distribution of any final insurance proceeds.

13.02 Termination by Consent. Except in the event this Declaration and the plan of condominium ownership established hereby is terminated as provided above, this Declaration may only be otherwise terminated by the consent of eighty percent (80%) of the Owners of all Units and all parties holding Mortgages, liens or other encumbrances, against any of said Units, in which event the termination of the Condominium shall be by such plans as may be then unanimously adopted by said Owners and parties holding any Mortgages, liens or other encumbrances. Such election to terminate this Declaration and the plan of condominium ownership established herein shall be evidenced by a termination agreement executed in writing by all of the aforesaid parties in recordable form in accordance with the Act, and such instruments shall be recorded in the Real Property Records.

# ARTICLE XIV GENERAL PROVISIONS

- 14.01 <u>Covenant Against Partition</u>. There shall be no judicial or other partition of the Condominium or any part thereof, nor shall any person acquiring any interest in the Condominium or any part thereof seek any such partition unless the Condominium has been removed from the provisions of the Act.
- 14.02 <u>Disclosures</u>. Each Owner and each Owner's family, tenants, guests, employees, invitees, lessees or licensees acknowledge the following:

- A. The Condominium is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.
- B, The views from an Owner's Unit may change over time due to, among other circumstances, additional development and the removal or addition of landscaping.
- C. No representations are made regarding the zoning of adjacent property, or that the category to which the Condominium or the adjacent property is zoned may not change in the future.
- D. No representations are made regarding the schools that currently or may in the future serve the Unit.
- E. Since in every neighborhood, there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Condominium that an Owner may find objectionable and that it shall be the sole responsibility of the Owners to become acquainted with neighborhood conditions that could affect the Unit.
- F. No representations are made that sound may not be transmitted from one Unit to another.
- G. The dimensions and square footage calculations shown on the Site Plan, if any, are only approximations. Any Unit Owner who is concerned about any representations regarding the Site Plan should perform his own investigation as to the dimensions, measurements and square footage of his Unit.
- H. The Declarant will be constructing portions of the Condominium and engaging in other construction activities related to the construction of Common Elements, the Limited Common Elements and improvement of Units as well as the potential construction and development of the Buildings, Structures and Amenities. Such construction activities may, from time to time, produce certain conditions on the Condominium Property, including, without limitation: (1) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (2) smoke; (3) noxious, toxic, or corrosive fumes or gases; (4) obnoxious odors; (5) dust, dirt or flying ash; (6) unusual fire or explosion hazards; (7) temporary interruption of utilities; and/or (8) other conditions that may threaten the security or safety of persons on the Condominium Property. Notwithstanding the foregoing, all Owners agree that such conditions on the Condominium Property resulting from construction activities shall not be deemed a nuisance and shall not cause the Declarant and its agents to be deemed in violation of any provision of this Declaration.
- I. Exposed concrete surfaces in portions of the Condominium which are not heated and cooled are subject to cracking due to water penetration, expansion and contraction of the concrete with temperature changes, building settlement or other reasons.

- J. Concrete surfaces in heated and cooled portions of the Condominium are subject to cracking due to building settlement.
- K. Mold and/or mildew can grow in any portion of the Condominium that is exposed to elevated levels of moisture. The Association and each Unit Owner agree to: (1) regularly inspect the parts of the Condominium that they respectively maintain, and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew, and/or water intrusion and/or damage; (2) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium that they respectively maintain; (3) remediate or replace any building material located in the parts of the Condominium that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (4) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Condominium that they respectively maintain in accordance with current industry accepted methods. In addition, each Unit Owner agrees to immediately notify the Association and the Declarant of the discovery of mold, mildew, and/or water intrusion and/or damage in their respective Units.
- L. The Condominium is situated in a location that may be subject to hurricanes, tornadoes, strong winds, tropical storms, erosion, flooding, and other forces of nature that may cause damage or casualty losses to the Condominium Property.
- 14.03 <u>Hurricane Preparations</u>. Each Unit Owner who is absent from the Unit during hurricane season, shall prepare the Unit prior to departure by:
  - A. Removing all furniture and plants and any other item not permanently affixed; and,
  - B. Designating a responsible firm or individual to care for the Unit during his/her absence (including removal of furniture and plants not affixed) in the event of a hurricane or severe storm, and in the event the Unit suffers hurricane or storm damage, each Unit Owner shall furnish the Board, or manager, if any, with the name of such firm or individual.

### ARTICLE XV AMENDMENT

- 15.01 <u>Plans</u>. The Declarant shall have the right to amend or alter the Condominium so long as it has control of the Association.
- 15.02 <u>Declaration by the Declarant</u>. The Declarant shall have the right to alter, amend or repeal this Declaration of Condominium as long as it has control of the Association.
- 15.03 <u>Declaration by the Association</u>. Once the Declarant has relinquished control of the Association, the Association shall have the right to alter, amend or repeal this Declaration of Condominium upon the affirmative vote of Members, present in person or by proxy, entitled to cast sixty-seven percent (67%) or more of the votes available to the Members, cast at any meeting

called for that purpose. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

- 15.04 <u>Prohibited Amendments</u>. 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. The Declaration shall not be amended during the time the Declarant is in control of the Association, except by the Declarant in its sole discretion. Notwithstanding the foregoing Section 15.03, no amendment to this Declaration made pursuant to Section 15.03 shall change a Unit, including the ownership in Common Elements and responsibility for Common Expenses and voting rights, without the prior written approval of the Unit Owner or Unit Owners so affected and prior written approval of the holders of record of any Mortgage or other liens on the Unit or Units so affected.
- 15.05 <u>Effectiveness of Amendments</u>. A copy of each amendment so adopted shall be certified by the President and Secretary and recorded in the Office of the Judge of Probate of Baldwin County, Alabama.

# ARTICLE XVI CONTROL OF THE ASSOCIATION

- 16.01 Election of Board of Directors. The Declarant, its successors or assigns, may appoint and remove the members of the Board of Directors, and in the event of vacancies, the Declarant shall fill the vacancies, until no later than the earlier of either (I) sixty (60) days after seventy-five percent (75%) of the total number of Units have been conveyed to purchasers of Units; or (ii) two (2) years have elapsed from the date the Declarant has ceased to offer Units for sale in the ordinary course of business; or (iii) two (2) years after any development right to add new units was last exercised; or (iv) the Declarant elects by written notice to the Association, at the Declarant's option, to terminate such control of the Association, whichever first occurs. Notwithstanding the foregoing, within ninety (90) days after conveyance by Declarant of twenty-five percent (25%) of the Units, the Unit Owners other than Declarant shall be entitled to elect twenty-five percent (25%) of the members of the Board of Directors. No later than ninety (90) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than Declarant, not less than thirty-three and one-third (33 1/3%) percent of the members of the Board shall be elected by the Unit Owners. The Declarant shall be entitled to elect at least one (1) member of the Board of Directors as long as the Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Units, and such right is not contrary to the other provisions hereof.
- 16.02 <u>Notice of Meeting</u>. Within sixty (60) days before the date of termination of control of the Association by the Declarant, the Association shall call and give not less than ten (10) days nor more than thirty (30) days' notice of a meeting of the Unit Owners for the purpose of electing the members of the Board of Directors. Such meeting shall be called, and the notice given in accordance with the Bylaws.

### 16.03 Status of Unsold Units.

- A. The Declarant shall be deemed to be the Owner of each Unit which has not been conveyed to a person other than Declarant. Unless otherwise provided in the Condominium Documents, the Declarant shall be entitled to all rights and privileges available to and shall be subject to any and all obligations and duties imposed upon the Owner of any such Unit under the Condominium Documents.
- B. Any person having a Mortgage lien against any Unit which has not been conveyed to a person other than the Declarant, whether under a blanket Mortgage affecting the Condominium Property generally or under a Mortgage on one or more specific Units, shall be deemed to be a Mortgagee with respect to any such Unit, and shall be entitled to all rights and privileges available to a Mortgagee of any such Unit under the Condominium Documents.
- C. Notwithstanding the provisions above, no assessments shall be imposed by the Association against the Declarant as the Owner of unsold Units until sixty (60) days after the Association makes a Common expense assessment. Provided, however, the Declarant shall have the right, but not the obligation, to elect not to make an assessment for Common Expenses or required reserves for such period of time as it shall choose upon condition that the Declarant pay and guarantee all Common Expenses and required reserves incurred prior to making assessments therefor against Unit Owners. During such period, Declarant shall be responsible for the Common Expenses and Limited Common Expenses of the Condominium Property, except that the Declarant shall be entitled to use and apply to the payment of such Common Expenses and Limited Common Expenses any and all Assessments made against the Unit Owners other than Declarant and collected by the Association for Common Expenses and Limited Common Expenses. The Declarant shall be solely responsible for the maintenance, repair and operation of the unsold Units.
- 16.04 <u>Association Contracts</u>. Any agreement entered into by the Association prior to the passage of control of the Association from the Declarant that is subject to the provisions of §35-8A-305 of the Act shall be terminable in accordance with said §35-8A-305.

### ARTICLE XVII ALLEGED DEFECTS

- 17.01 <u>Declarant's Right to Cure Alleged Defects</u>. Due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and the Declarant's responsibility therefor. It is the Declarant's intent to resolve all disputes and claims regarding any Alleged Defect (as defined below) amicably, and without the necessity of time-consuming and costly litigation. Accordingly, the Association and all Unit Owners shall be bound by the following claim resolution procedure with respect to Alleged Defects:
  - A. <u>Declarant's Right to Cure</u>. In the event that the Association, Board or any Unit Owner or Unit Owners' (a "<u>Complaining Party</u>") claim, contend or allege that any portion of the Condominium, including, without limitation, the Common Elements, the Limited Common Elements, any Unit, and/or any improvements constructed on the

Condominium Property, are defective or that the Declarant or its agents, consultants, contractors or subcontractors (collectively, the "<u>Declarant's Agents</u>") were negligent in the planning, design, engineering, grading, construction or other development thereof (collectively an "<u>Alleged Defect</u>"), the Declarant hereby reserves the right to inspect, repair and/or replace such Alleged Defect as set forth herein.

- B. <u>Notice to Declarant</u>. In the event that a Complaining Party discovers any Alleged Defect, such Complaining Party shall, within a reasonable time after discovery, notify the Declarant, in writing, at the address and in the manner in accordance with Article XX Section 20.07 hereafter or at such address as the Declarant may from time to time provide to the Association, or such other address at which the Declarant maintains its principal place of business, of the specific nature of such Alleged Defect ("<u>Notice of Alleged Defect</u>").
- C. Right to Enter, Inspect, Repair and/or Replace. Within a reasonable time after the receipt by Declarant of a Notice of Alleged Defect or the independent discovery of any Alleged Defect by the Declarant, the Declarant shall have the right, upon reasonable notice to the Complaining Party and during normal business hours, to enter onto or into, as applicable, the Common Elements, the Limited Common Elements, any Unit, and/or any improvements or other portion of the Condominium Property for the purposes of inspecting and, if deemed necessary by the Declarant, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, the Declarant shall be entitled to take any action as it shall deem reasonable and necessary under the circumstances.
- D. <u>Legal Actions</u>. No Complaining Party shall initiate any legal action, cause of action, or proceeding against the Declarant alleging damages (1) for the costs of repairing or the replacement of any Alleged Defect, (2) or for the diminution in value of any real or personal property resulting from such Alleged Defect, or (3) for any damages resulting from such Alleged Defect unless and until the Complaining Party has (i) delivered to the Declarant a Notice of Alleged Defect and (ii) the Declarant has, within ninety (90) days after its receipt of such Notice of Alleged Defect, either (a) failed to repair or replace such Alleged Defect or (b) if such Alleged Defect cannot reasonably be repaired or replaced within such ninety (90) day period, failed to commence such repair or replacement of the Alleged Defect and, thereafter, failed to pursue diligently such repair or replacement to completion. In no event shall Declarant be liable for special, punitive, consequential, indirect or other damages of any kind or nature whatsoever other than for actual, direct damages.
- E. <u>No Additional Obligations; Irrevocability and Waiver of Right.</u> Nothing set forth in this Section 17.01 shall be construed to impose any obligation on the Declarant to inspect, repair, or replace or pay for any item or Alleged Defect for which the Declarant is not otherwise obligated to do under applicable law or other agreement to which the Declarant is a party. The right of the Declarant to enter, inspect, repair and/or replace reserved hereby shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by the Declarant in the Real

Property Records of the Baldwin County Probate Court. This provision does not create any warranties, express or implied, on the part of the Declarant or the Association.

F. <u>Litigation</u>. Any disagreement between an Owner, Owners, the Board, and/or the Association, on the one hand, and the Declarant on the other, concerning Declarant's efforts to remedy or repair any Alleged Defect (a "<u>Dispute</u>"), after compliance with the foregoing provisions of this Section 17.01, shall be resolved in the Courts of Baldwin County, Alabama, Non-Jury. The prevailing party shall be entitled to all its reasonable expenses, including but not limited to, reasonable attorneys' fees, court costs, costs of discovery, accountants' fees, investigation expenses, and experts' fees. All expenses incurred shall be reasonable in nature, in no event shall the Declarant or the Association, its members, employees, agents, or managers be liable for special, punitive, consequential or indirect damages or other damages of any kind or nature whatsoever other than for actual, direct damages.

# ARTICLE XVIII RESOLUTION OF DISPUTES WITHOUT LITIGATION

### 18.01 Agreement to Encourage Resolution of Disputes Without Litigation.

- A. Declarant, the Association and its officers, directors, and committee members, all Owners, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Party"), as it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Condominium, the Association and/or the Owners without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim (hereinafter defined), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Article XIX hereinafter in a good faith effort to resolve such Claim.
- B. As used in this Article, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to:
  - i. the interpretation, application, or enforcement of the Condominium Documents; or
  - ii. the rights, obligations and duties of any Bound Party under the Condominium Documents;

except that the following shall not be considered a "Claim" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Article XIX hereinafter:

i. any suit by the Association to collect Assessments or other amounts due from any Owner;

- ii. any suit by the Association to obtain a restraining order or for injunctive relief or equitable relief and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Declaration;
- iii. any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Condominium Documents;
  - iv. any suit in which any indispensable party is not a Bound Party;
- v. any suit as to which any applicable statute of limitations would expire within one hundred eighty (180) days of giving the required Notice in accordance with Article XIX subsection 19.01 hereinafter, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article; and
- vi. any suit relating to or arising out of any Alleged Defect (hereinafter defined).

# ARTICLE XIX DISPUTE RESOLUTION PROCEDURES.

- 19.01. <u>Notice</u>. The Bound Party asserting a Claim ("<u>Claimant</u>") against another Bound Party ("**Respondent**") shall give written notice ("<u>Notice</u>") in the manner and in accordance herein to each Respondent and to the Board of Directors stating plainly and concisely:
  - i. the nature of the Claim, including the persons involved and the Respondent's role in the Claim;
  - ii. the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
    - iii. the Claimant's proposed resolution or remedy; and,
  - iv. the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.
- 19.02. <u>Negotiation</u>. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.
- 19.03. Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the Notice in the manner as described herein (or within such other

period as the parties may agree upon), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency or individual providing dispute resolution services in the State of Alabama. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim. If the parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate. Each party shall bear its own costs of the mediation, including reasonable attorneys' fees, and each Party shall share equally all fees charged by the mediator.

19.04. Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, reasonable attorneys' fees and court costs. All costs incurred in enforcing such agreement or award shall be reasonable in nature.

19.05. <u>Litigation</u>. After compliance with the foregoing provisions of this Article XIX and the parties have not resolved the Claim, the Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate. Such Claim shall be resolved in the Courts of Baldwin County, Alabama Non-Jury. The prevailing party shall be entitled to all its expenses, including but not limited to, attorneys' fees, court costs, cost of discovery, accounts' fees, investigation expenses, and experts' fees. In no event shall the Declarant or the Association, its officers, directors, employees, agents, or manager be liable for punitive, special, consequential, or indirect damages or any other type of damages whatsoever other than for actual, direct damages.

### ARTICLE XX MISCELLANEOUS

20.01 <u>Rights and Powers of Successors and Assignees</u>. The rights and powers reserved to or exercisable by the Declarant under the Condominium Documents or the Act may be exercised by any successor or assignee of the Declarant (i) who acquires title from the Declarant by foreclosure or other judicial sale or deed in lieu of foreclosure, or (ii) to whom the Declarant specifically assigns such rights and powers.

20.02 <u>Headings</u>. The headings and captions herein are used solely as a matter of convenience and shall not define, limit or expand any term or provision of this Declaration.

- 20.03 <u>Gender/Number</u>. Whenever the context so permits, the use of the plural shall include the singular, the singular shall include the plural, and any gender shall be deemed to include all genders.
- 20.04 Exhibits. The Exhibits attached to this Declaration are an integral part of this Declaration.
- 20.05 <u>Invalidity and Severability</u>. It is the intention of the Declarant that the provisions of this Declaration are severable so that if any provision is invalid or void under any applicable federal, state or local law or ordinance, decree, order, judgment or otherwise, the reminder shall be unaffected thereby.
- 20.06 <u>Interpretation</u>. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium in accordance with Alabama law. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.
- 20.07 Notice. All notices required or desired under this Declaration or the Condominium Documents to be sent to the Association shall be sent certified mail, return receipt requested, or by hand delivery or by a recognized overnight courier who maintains verification of delivery, to the Secretary of the Association, at such address as the Association may designate from time to time by notice in writing to all Unit Owners. Except as specifically provided to the contrary in the Act, all notices to any Unit Owner shall be sent certified mail return receipt requested, or by hand delivery, by a recognized overnight courier who maintains verification of delivery in person or sent by first (1st) class mail to the address of such Unit Owner at the Condominium, or to such other address as he may have designated from time to time, in a writing duly received, to the Association.
- 20.08 Governing Law. This Declaration shall be governed by, and is to be construed according to, the laws of the State of Alabama.
- 20.09 <u>Conflict Between Documents</u>. If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules, the terms and conditions of the Articles shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of the Rules, the terms and conditions of the Bylaws shall control.

<b>IN WITNESS WHEREOF</b> , WP 2018, caused this instrument to be executed on the	LLC, an Alabama limited liability company, has leday of April 2021.
	WP 2018, LLC an Alabama Limited Liability Company, by Grilled Oysters, Inc., Its Managing Member
	By: Donald Stacey Ryals, Manager
STATE OF ALABAMA ) COUNTY OF BALDWIN )	

I, a Notary Public, in and for said County in said State, hereby certify that DONALD STACEY RYALS, whose name as Manager of Grilled Oysters, Inc., as Administrative Member of WP 2018, LLC, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that being informed of the contents of said document, he, as such Manager and with full authority, has executed the same voluntarily for and as the act of the Corporation on the day the same bears date.

Sworn to and subscribed to before me on the \_\_\_\_day of April 2021.

My Commission Expires MES ROUMING NOTAP TARREST NOTAP TARREST NOTAP TARREST NOTAP TARREST NOTAP AT THE NOTAP TARREST NOTATE AT THE NOTAP TARREST NOTATE AT THE NOTAP TARREST NOTATE AT THE NOTATE AT THE NOTAP TARREST NOTATE AT THE NOTATE AT T

# EXHIBIT "A" LEGAL DESCRIPTION OF WHISPERING PINES RV RESORT EAST, A LAND CONDOMINIUM

Commence at a 1" crimp at the Southwest corner of the Northwest quarter of the Northeast quarter of Section 29, Township 8 South, Range 4 East, Baldwin County, Alabama; thence N 00°04'49" E 662.08 feet to a capped #4 rebar on the South right of way of County Road 8; thence along said South right of way along a curve to the left having a radius of 3560.54 feet, an arc length of 342.80 feet a chord bearing and distance N 79°41'25" E - 342.67 feet to a (CA 1165) #4 rebar; thence continue along said right of way N 78°03'58" E a distance of 299.50 feet to a (CA 1165) #4 rebar and Point of Beginning; thence continue along said right of way N 78°03'58" E 114.45 feet to a (CA 1165) #4 rebar at the P.C. of a curve to the left, having a radius of 610.00 feet, an arc length of 366.07 feet, a chord bearing and distance N 61°42'11" E - 360.60 feet to a (CA 1165) #4 rebar and P.T. of said curve; thence N 45°20'25" E a distance of 288.53 feet to a (CA 1165) #4 rebar and P.C. of a curve to the right, having a radius of 339.47 feet, an arc length of 88.20 feet, a chord bearing and distance N 49°52'48" E - 87.95 feet to a (O.E. Kay) 4"X4" concrete monument; thence leaving said right of way S 00°01'03" E a distance of 1233.39 feet to a 1" crimp; thence S 89°44'27" W 703.21 feet to a (CA 1165) #4 rebar; thence N 00°03'44" E a distance of 782.49 feet to the Point of Beginning, containing 15.33 acres, more or less.

### **EXHIBIT "B"**

### **BYLAWS**

### OF

### WHISPERING PINES RV RESORT EAST,

### A LAND CONDOMINIUM OWNERS ASSOCIATION, INC.

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

### **BYLAWS**

### **OF**

# WHISPERING PINES RV RESORT EAST, A LAND CONDOMINIUM OWNERS ASSOCIATION, INC.

### <u>Article I</u> The Association

- 1.01 <u>Identity</u>. These are the Bylaws of Whispering Pines RV Resort East, a Land Condominium Owners Association, Inc., a not for profit corporation (the "Association"), which was formed under the Alabama Nonprofit Corporation Act, §10-3A-1, et seq., <u>Code of Alabama</u>, 1975, (the "Nonprofit Act") by filing the Certificate of Formation of Whispering Pines RV Resort East Condominium Association, Inc. (the ""Certificate"), with the Office of the Judge of Probate of Baldwin County, Alabama. The Association has been organized for the purpose of providing for the acquisition, operation, management, maintenance, care, control and administration of the Property of Whispering Pines RV Resort East, a Land Condominium (the "Condominium"), pursuant to the provisions of the Alabama Uniform Condominium Act of 1991,§35-8A-101, et seq., <u>Code of Alabama</u>, 1975, (the "Condominium Act") and the Declaration of Condominium of Whispering Pines RV Resort East, a Land Condominium (the "Declaration"), as filed with the Office of the Judge of Probate of Baldwin County, Alabama, in accordance with the provisions of the Condominium Act. The terms capitalized herein shall be deemed to have the meanings set forth in the Declaration and the Condominium Act.
- 1.02 <u>Principal Office</u>. The principal office of the Association in the State of Alabama shall be located in Baldwin County, Alabama. The Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate or as the business of the Association may require from time to time.
- 1.03 <u>Registered Office</u>. The registered office of the Association, required by the Nonprofit Act to be maintained in the State of Alabama, may be, but need not be, identical to the principal office in the State of Alabama, and the address of the registered office may be changed from time to time by the Board of Directors.

### <u>Article II</u> Membership

2.01 <u>Annual Meeting</u>. The annual meeting of the Membership shall be held in the month of November at the date and time as to be determined by the Board of Directors for the purpose of electing directors, if the period of exclusive Developer control of the election of Members of the Board of Directors has ended, and in any event, for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Alabama, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting of the Membership, or at any adjournment

thereof, the Board of Directors shall cause the election to be held at a special meeting of the Membership as soon thereafter as may be convenient.

- 2.02 <u>Special Meetings</u>. Special meetings of the Membership, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by a majority of the Board of Directors and shall be called by the President or the Secretary at the request of holders of not less than twenty (20%) percent of all the outstanding votes of the Membership.
- 2.03 <u>Place of Meeting</u>. The Board of Directors may designate any place, within or without the State of Alabama, as the place of meeting for any annual meeting or for any special meeting of the Membership. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be the principal office of the Association in the State of Alabama.
- 2.04 <u>Notice of Meeting</u>. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, or of a meeting which is required by statute to be held for any special purpose, or of an annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall, unless otherwise prescribed by statute, be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.
- 2.05 Fixing of Record Date. The Board of Directors may fix in advance a date as the record date for the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or for any other proper purpose, such date in any case to be not more than thirty (30) days and, in case of a meeting of the Membership, not less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken. If no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of the Membership, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination has been made, as provided in this section, such determination shall apply to any adjournment thereof.
- 2.06 <u>Voting Lists</u>. The officer or agent having charge of the records of Members of the Association shall make, at least ten (10) days before each meeting of the Membership, a complete list of the Members entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of each member and the number of votes to which he is entitled, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association and shall be subject to inspection by any member making written request therefor at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting.

- 2.07 <u>Quorum</u>. The presence at any meeting of the Members entitled to cast twenty (20%) percent of the votes in the Association, represented in person or by proxy, shall constitute a quorum. If a quorum is not present at any meeting, a majority of the Members so represented may adjourn the meeting and reconvene from time to time without further notice. At any such reconvened meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The Members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.
- 2.08 <u>Majority Vote</u>. The vote of Members entitled to cast a majority of the votes represented at a meeting of the Membership at which a quorum is present shall be the act of the Members of the Association, unless the vote of a greater number is required by law, the Declaration, the Articles, or these Bylaws.
- 2.09 <u>Proxies</u>. At all meetings of the Membership, a member may vote in person or by proxy executed in writing by the member or by his duly authorized attorney in fact. A proxy is void if it is not dated or purports to be revocable without notice. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after one (1) year from the date of its execution, unless a shorter term is provided in the proxy.

### 2.10 <u>Designation of Voting Members.</u>

- A. <u>Designations</u>. If a Unit is owned by more than one (1) person, the person entitled to cast the vote or votes for the Unit may be designated by a certificate signed by all of the record Owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, partnership, trust, company or other legal entity, the person entitled to cast the vote or votes for the Unit may be designated by a certificate of appointment signed by a duly authorized representative of the entity and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit, and a certificate may be revoked by any Owner of an interest in the Unit. Any such revocation shall be in writing and signed by any Owner of an interest in the Unit or a duly authorized representative of the entity, as the case may be, and filed with the Secretary of the Association.
- B. <u>Failure to Designate</u>. If a Unit is owned by more than one (1) person and such Owners do not designate a voting Member as required hereinabove, the following provisions shall apply:
  - i. If more than one (1) such Owner is present at any meeting, and said Owners are unable to concur on a decision on any subject requiring a vote, said Owners shall lose their right to vote on that subject at that meeting; however, said vote or votes shall be included in the determination of the presence of a quorum.
  - ii. If only one (1) such Owner is present at a meeting, such person attending shall be entitled to cast the vote or votes pertaining to the Unit.

- iii. If more than one (1) such Owner is present at the meeting and said Owners concur, any one (1) such Owner may cast the vote or votes for the Unit.
- 2.11 <u>Informal Action by Members</u>. Any action required to be taken at a meeting of the Membership, or any other action which may be taken at a meeting of the Membership, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

### <u>Article III</u> Board of Directors

- 3.01 <u>General Powers</u>. The affairs of the Association shall be managed by or under the direction of its Board of Directors.
- 3.02 <u>Number, Tenure and Qualifications</u>. The Board of Directors shall consist of three (3) to five (5) directors as to be determined by the Members at the Annual Meeting of the Association. Each director shall hold office until the next annual meeting of the Members and until his successor shall have been duly elected and shall have qualified or until his death or until he shall have resigned or shall have been removed, as provided for herein. A director need not be a member of the Association.

### 3.03 Election of Directors.

- A. General Election Procedure. Election of directors entitled to be elected by the Members shall be held at the annual meeting, or, if required in accordance with subparagraph 3.03(B) below, at a special meeting of the Membership. The election shall be by secret ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast. The Owner of each whole Unit shall be entitled to cast his votes for each of as many nominees as there are vacancies to be filled at the time of the election. There shall be no cumulative voting.
- B. <u>Developer Control.</u> Notwithstanding the provisions of subparagraph 3.03(A) above, or anything in these Bylaws to the contrary, the Developer (as defined in the Declaration), its successors and assigns, and not the Members of the Association, shall have the exclusive right to control the Association by electing all of the Members of the Board of Directors of the Association, and in the event of vacancies, the Developer shall fill such vacancies, until such time as either (i) the expiration of sixty (60) days following the conveyance of seventy-five percent (75%) of the Units in the Condominium to purchasers of Units other than Developer, or (ii) the expiration of two (2) years from the date the Developer has ceased to offer Units for sale in the ordinary course of business, or (iii) the Developer elects by written notice to the Association, at its option, to terminate such control of the Association, whichever first occurs; provided, however, and in limitation of the foregoing, no later than ninety (90) days after conveyance of twenty-five percent (25%) of the Units, Members of the Association, other than the Developer, shall be entitled to elect twenty-five percent (25%) of the Members of the Board and not later than ninety (90) days after conveyance of fifty percent

(50%) of the Units to Members other than Developer, not less than thirty-three and one-third percent (33 1/3%) of the Members of the Board shall be elected by the Members of the Association other than the Developer. The Developer shall be entitled to elect at least one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium and such right is not violative of the then provisions of the Condominium Act. Within sixty (60) days before the date of termination of control of the Association by the Developer, the Board of Directors shall call and give not less than ten (10) nor more than thirty (30) days' notice of a special meeting of the Membership for the purpose of electing the Members of the Board of Directors.

- 3.04 <u>Regular Meetings</u>. A regular meeting of the Board of Directors shall be held without other notice immediately after, and at the same place as, the annual meeting of the Membership; provided, however, any such regular meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings, or in a consent and waiver of notice thereof, signed by all directors. The Board of Directors may provide, by resolution, the time and place, within or without the State of Alabama, for the holding of additional regular meetings without other notice than such resolution.
- 3.05 <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of directors.
- 3.06 <u>Notice</u>. Notice of any special meeting shall be given at least three (3) days prior thereto by written notice delivered personally or mailed to each director at his business address, by U.S. mail or private carrier. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by private carrier, such notice shall be deemed to be delivered when the notice is delivered to the private carrier. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.
- 3.07 Quorum. A majority of the number of directors determined in the manner fixed by subparagraph 3.02 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. If a quorum is present when the meeting is convened, the directors present may continue to do business, taking action by a vote of the majority of a quorum, until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum present, or the refusal of any director present to vote.
- 3.08 <u>Manner of Acting</u>. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

- 3.09 <u>Action Without a Meeting</u>. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent, in writing, setting forth the action so taken, shall be signed by all of the directors.
- 3.10 <u>Vacancies</u>. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by a majority of the remaining directors, except as otherwise provided in this Article III. A director elected or appointed, as the case may be, shall be elected or appointed for the unexpired term of his predecessor in office.
- 3.11 <u>Committees</u>. The Board of Directors may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of which shall consist of at least two (2) directors and which, to the extent provided in said resolution or resolutions or in these Bylaws shall have and may exercise all of the powers of the Board of Directors in the management of the activities and affairs of the Association and may have power to authorize the seal of the Association to be affixed to all papers which may require it, except that no such committee shall have the authority of the Board of Directors in reference to the following:
  - i. Amending, altering, or repealing these Bylaws;
  - ii. Electing, appointing, or removing any member of any such committee or any director or officer of the Association;
  - iii. Amending the Articles, restating the Articles, adopting a plan of merger or adopting a plan of consolidation with another corporation;
  - iv. Authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association;
  - v. Authorizing the voluntary dissolution of the Association or revoking proceedings therefor; adopting a plan for the distribution of assets of the Association;
  - vi. Amending, altering, or repealing any action or resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation of such committee or committees or the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or him by law.
- 3.12 <u>Resignations</u>. Any director of the Association may resign at any time, either by oral tender of resignation at any meeting of the Board or by giving written notice thereof to the Secretary of the Association. Such resignation shall take effect at the time specified therefore, and the acceptance of such resignation shall not be necessary to make it effective.

- 3.13 <u>Place of Meeting</u>. The Board of Directors may designate any place within or without the State of Alabama as the place of meeting for any regular or special meeting of the Board of Directors.
- 3.14 <u>Presumption of Assent</u>. A director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

### Article IV Officers

- 4.01 <u>Number</u>. The officers of the Association shall be a President, one or more Vice President(s) (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the President and Secretary. An officer need not be a member of the Association. The failure of the Board of Directors to elect any officers other than a President, a Treasurer and a Secretary shall not constitute a violation of these Bylaws.
- 4.02 <u>Election and Term of Office</u>. The officers of the Association to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Membership. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall have resigned or shall have been removed in the manner hereinafter provided.
- 4.03 <u>Removal</u>. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, by the affirmative vote of the Board of Directors, whenever in their judgment the best interests of the Association will be served thereby. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create any contract rights in favor of such officer.
- 4.04 <u>Vacancies</u>. A vacancy in any office elected or appointed by the Board of Directors because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.
- 4.05 <u>President</u>. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Membership. He may sign, with the Secretary or an Assistant Secretary, any deeds, mortgages, bonds, contracts or other instruments

which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

- 4.06 <u>Vice President</u>. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.
- 4.07 <u>Secretary</u>. The Secretary shall: (a) keep the minutes of the proceedings of the Members and of the Board of Directors in one or more books provided for the purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the mailing address of each member which shall be furnished to the Secretary by such member; (e) have general charge of the transfer books of the Members of the Association; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.
- 4.08 <u>Treasurer</u>. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; and (c) in general perform all of the duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

# Article V Contracts, Loans, Checks and Deposits

- 5.01 <u>Contracts</u>. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.
- 5 02 <u>Loans</u>. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

- 5.03 <u>Checks, Drafts, Etc.</u> All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- 5.04 <u>Deposits</u>. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.
- President may from time to time appoint an attorney or agent of the Association, in the name and on behalf of the Association, to cast the votes which the Association may be entitled to cast as the holder of stock or other securities in any other corporation any of whose stock or other securities may be held by the Association, at meetings of the holders of the stock or other securities of such other corporation, or to consent in writing, in the name and on behalf of the Association, as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed, in the name and on behalf of the Association and under its corporate seal or otherwise, all such written proxies or other instruments as he may deem necessary or proper in the premises.

### Article VI Books and Records

- 6.01 <u>Accounting</u>. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Members, Board of Directors and committees thereof and shall keep at its registered or principal office in Alabama a record of the names and addresses of the Members entitled to vote for directors and officers. The accounting records shall be maintained in accordance with generally accepted accounting principles. All books and records of the Association shall be open to inspection by the Members or their authorized representatives for any proper purpose at any reasonable time in Baldwin County, Alabama. Such records shall include:
- A. <u>Association Accounts</u>. The receipts and expenditures of the Association shall be credited and charged to the appropriate account as set forth below.
  - i. <u>Current Expenses</u>. All funds to be expended during the year for the maintenance of the Common Elements and Limited Common Elements (as defined in the Declaration) and the operation and working capital of the Association shall be held in the Current Expense Account. Any balance in this fund at the end of each year may be used to pay Common Expenses and Limited Expenses incurred in any successive year or may be placed in the Reserve Fund Account.

- ii. <u>Reserve Funds</u>. All funds to be expended for replacement, acquisition and repair of capital improvements which are a part of Common Elements and Limited Common Elements shall be held in the Reserve Fund Account.
- B. <u>Member Accounts</u>. An account for each member shall be maintained setting forth the name and address of the member, the interest percentage in the Common Elements and Limited Common Elements, if any, the amount of each assessment, the amounts and dates on which the assessments become due, the amounts paid upon the account and the balance due.
- of Directors shall adopt a proposed budget for each calendar year that shall include the estimated funds required to defray the Common Expenses and Limited Common Expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Within thirty (30) days of adoption of the proposed budget, copies of the budget and proposed assessments shall be transmitted to each member of the Association and a date set for a meeting of the Members to consider ratification of the budget, not less than fourteen (14) days nor more than thirty (30) days after delivery of the budget to the Members. Unless, at the meeting, a majority of all Members present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the budget for the last year shall continue in effect until such time as a new budget is ratified.
- 6.03 <u>Assessments</u>. Subject to the terms and conditions of the Declaration, assessments against the Members for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 31, preceding the year for which the assessments are made. Such assessments shall be due in quarterly or monthly installments, as may be determined by the Board of Directors. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Such assessments shall constitute a lien as provided for in the Declaration.
- 6.04 <u>Special Assessments</u>. Subject to the terms and conditions of the Declaration, assessments for Common Expenses that cannot be paid from the annual assessments for Common Expenses shall be made only after notice of the need for such is given to the Members concerned, and it shall be due thirty (30) days after such notice in such manner as the Board of Directors may require in the notice of assessment. Such assessments shall constitute a lien as provided for in the Declaration.
- 6.05 <u>Audit or Compilation</u>. An audit or compilation of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be made available for examination by each member in Baldwin County, Alabama.
- 6.06 <u>Bonds</u>. Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall not be less than the sum of three (3) months' assessments for Common Assessments and Limited Common Assessments on all Units plus the reserve funds of the Association, if any. The premiums of such bonds shall be paid by the Association.

6.07 <u>Rules and Regulations and Violation of any Documents</u>. Subject to the terms and conditions of the Declaration, the Board of Directors may, from time to time, establish, abolish or amend reasonable rules and regulations concerning the use of the Condominium Property; provided, however, that a majority of the Members may overrule the Board with respect to any such rules and regulations or modification thereof, or amendments, or additions thereto. The text of such rules and regulations shall be furnished or made available to the Members not less than fourteen (14) days prior to the effective date thereof. The Board shall have the power, upon violation of the rules and regulations, or upon violation of the terms of the Declaration or these Bylaws to impose monetary fines on a member which shall constitute a lien and shall be enforceable in like manner as provided for assessments or to suspend for a reasonable period of time either the member's right to the use of common facilities within the Common Elements or the member's right to vote. No rule or regulation that is in conflict with the Condominium Documents shall be adopted.

## Article VII Waiver of Notice

Whenever any notice is required to be given to any member or director of the Association under the provisions of these Bylaws, the Articles of Incorporation, the Declaration, the provisions of the Nonprofit Act, and any act amendatory thereof, supplementary thereto or substituted therefor, the provisions of the Condominium Act, and any act amendatory thereof, supplemental thereto or substituted therefor, or the Alabama Constitution, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

### <u>Article VIII</u> <u>Fiscal Year</u>

The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

### <u>Article IX</u> Indemnification

The Association shall have the right to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that he is or was a director, officer, employee or agent of the Association. The indemnification provided for herein shall not be deemed exclusive of and shall be in addition to any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

### <u>Article X</u> Amendment

- 10.01 <u>Amendment to Bylaws</u>. These Bylaws may be amended, altered or repealed in the following manner:
  - A. <u>By the Board</u>. By the Board of Directors for such period of time as the Developer has the right to elect at least a majority of the Members of the Board of Directors of the Association in accordance with subparagraph 3.03(B) of Article III hereof and thereafter,
  - B. <u>By the Members</u>. By the Members at any regular or special meeting upon the affirmative vote of the holders of not less than sixty-seven percent (67%) of the outstanding votes present and entitled to vote at such meeting in person or represented by proxy, at which a quorum is present.
- 10.02 <u>Recordation</u>. No modification or amendment to these Bylaws shall be valid and effective until the President and Secretary of the Association shall certify as to the adoption of such amendment and shall file their certificate setting forth the text of the amendment with the Office of the Judge of Probate of Baldwin County, Alabama.

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caused this instrument to be executed on the	day of April 2021.
	WP 2018, LLC
	an Alabama Limited Liability Company, by
	Grilled Oysters, Inc., Its Managing
	Member
<u> </u>	By: Donald Stacey Ryals, Manager
STATE OF ALABAMA )	

COUNTY OF BALDWIN

I, a Notary Public, in and for said County in said State, hereby certify that DONALD STACEY RYALS, whose name as Manager of Grilled Oysters, Inc., as Administrative Member of WP 2018, LLC, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that being informed of the contents of said document, he, as such Manager and with full authority, has executed the same voluntarily for and as the act of the Corporation on the day the same bears date.

Sworn to and subscribed to before me on the \_\_\_\_day of April 2021.

My Commission Expires; ROWA

# Exhibit "C" Engineer's Certificate of Substantial Completion

### **CERTIFICATION**

I, the undersigned, Christopher Jay Lieb, a registered Professional Engineer in the State of Alabama, Number 31204 hereby certify that the plans dated February 3, 2021, (the "Plans"), and the plat dated February 28, 2021, (the "Plat"), and the site plan dated November 11, 2020, (the "Site Plan") all prepared for Whispering Pines RV Resort East, A Land Condominium, located at 19648 County Road 8, Gulf Shores, AL 36542 show the layout, location, Unit numbers and dimensions of the Units and the Buildings, Structures and the Amenities (the "Improvements") as defined in Article II, subsection 2.02 of the Declaration of Condominium of Whispering Pines RV Resort East, A Land Condominium. I also certify that the Plans, the Plat, and the Site Plan show the dimensions of the Improvements and the Units and that the Improvements shown on the Plans are substantially complete. And I further certify to the best of my knowledge that the Plans, the Plat, and the Site Plan contain and conform to the requirements of Section 35-8A-209 of the Alabama Uniform Condominium Act. Said Plans, Plat, and Site Plan are attached as exhibits to the Declaration of Condominium for Whispering Pines RV Resort East, A Land Condominium.

pering Pines RV Resort East, A Land Condominium
Christopher Jay Lieb
Registered Engineer
License Number 31204
Date: <u>3/23/2021</u>
Notary Public

Subscribed and sworn to before me, this

My commission expires:

CHRISTINE BAILEY Notary Public, Alabama State At Large My Commission Expires Nov. 7, 2023

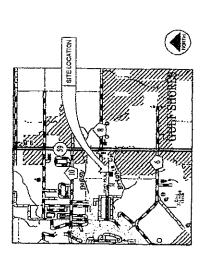
iviy Commission Expires Nov. 7, 2023

# COUNTY ROAD 8 GULF SHORES, AL 36542

\*THESE PLANS ALSO INCLUDE THE WEST SIDE RESORT INPROVEMENTS

PROJECT CONTACT INFORMATION:
OWNER:
WP 2018, LLC
PO BOX 4088
GULF SHORES, AL 36547
(251) 966-6584

ENGINEER:
LIEB ENGINEERING COMPANY, LLC
PO BOX 2266
PO BOX 2265
FARHOPE, AL 36533
(251) 978~9779
CONTACT: CHRIS LIEB, PE



LOCAL VICINITY MAP

NDEX	INDEX TO SHEETS:	75;		
SEQUENCE	SHEET NO.	SEQUENCE SHEET NO. SHEET NAME	ISSUE DATE	ISSUE DATE REVISION DATE
-	0-1-0	C-1.0   COVER SHEET	09/28/2018	09/28/2018 02/20/2020
7	C-2.0	CIVIL GENERAL NOTES	09/28/2018	12/18/2018
m	0-3.0	SITE LAYOUT PLAN	09/28/2018	02/03/2021
4	0-4-0	SITE GRADING PLAN	09/28/2018	02/03/2021
ιΩ	C-5.0	SITE GEOMETRY TABLE PLAN	09/28/2018	07/30/2019
9	0.9-0	SITE UTILITY PLAN	09/28/2018	02/03/2021
7	0-7-0	SITE EROSION & SEDIMENT CONTROL PLAN	09/28/2018	02/03/2021
00	C-8.0	CIVIL DETAILS	09/28/2018	09/28/2018   02/03/2021

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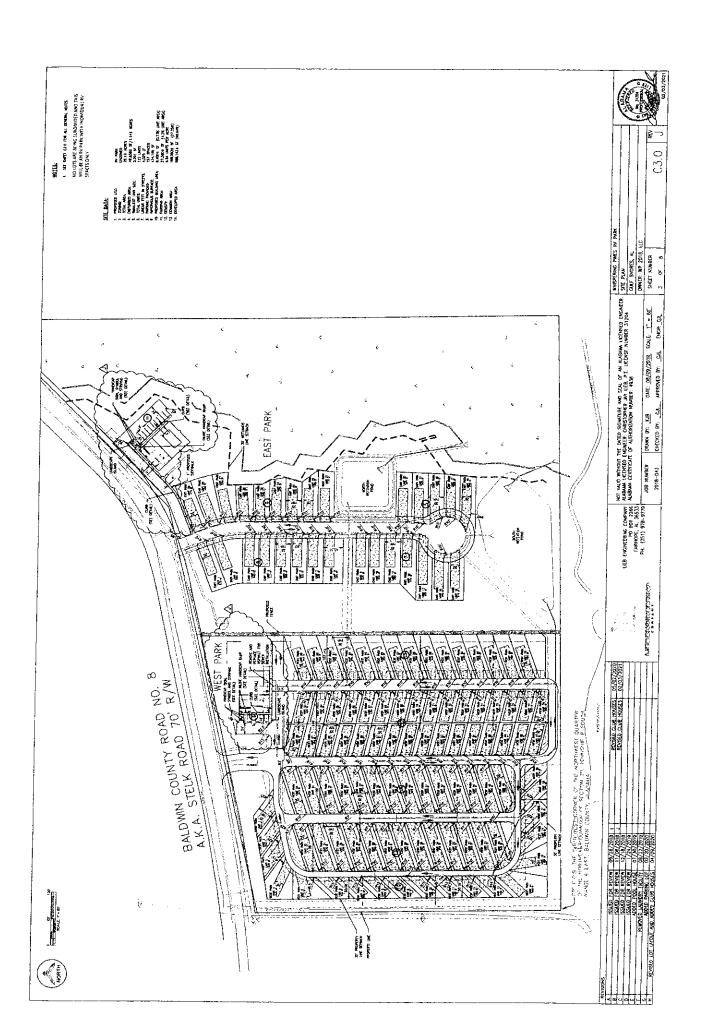
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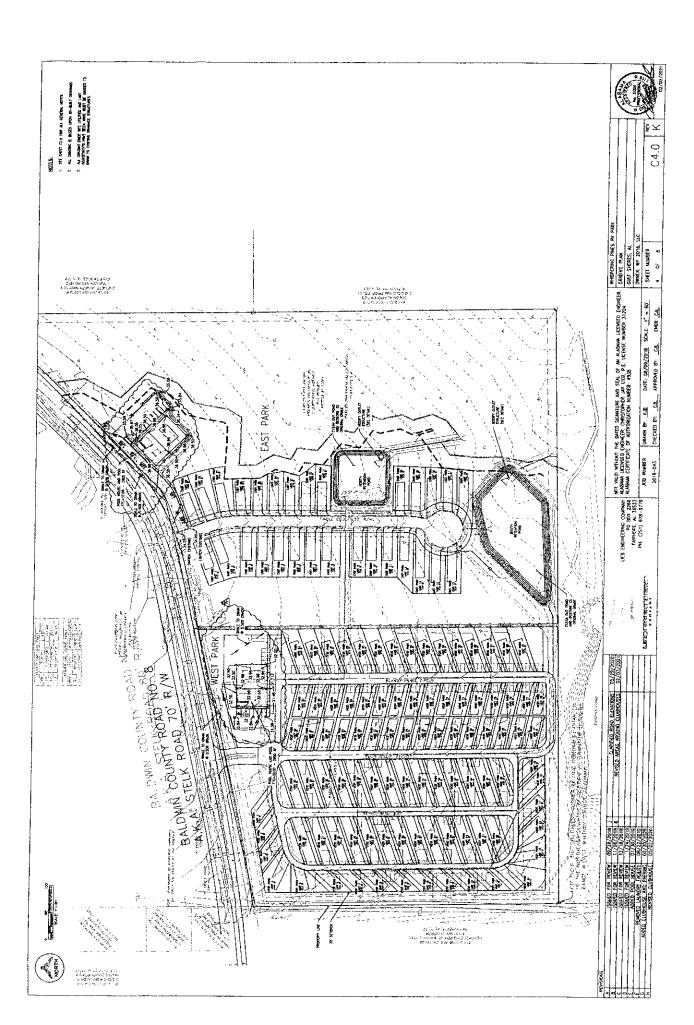
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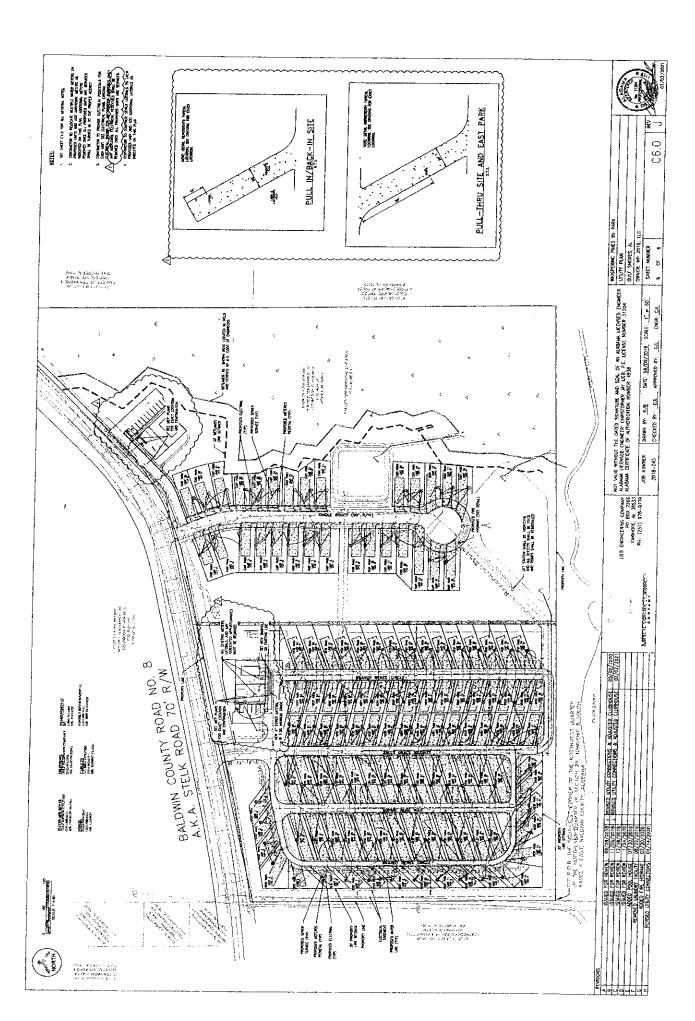
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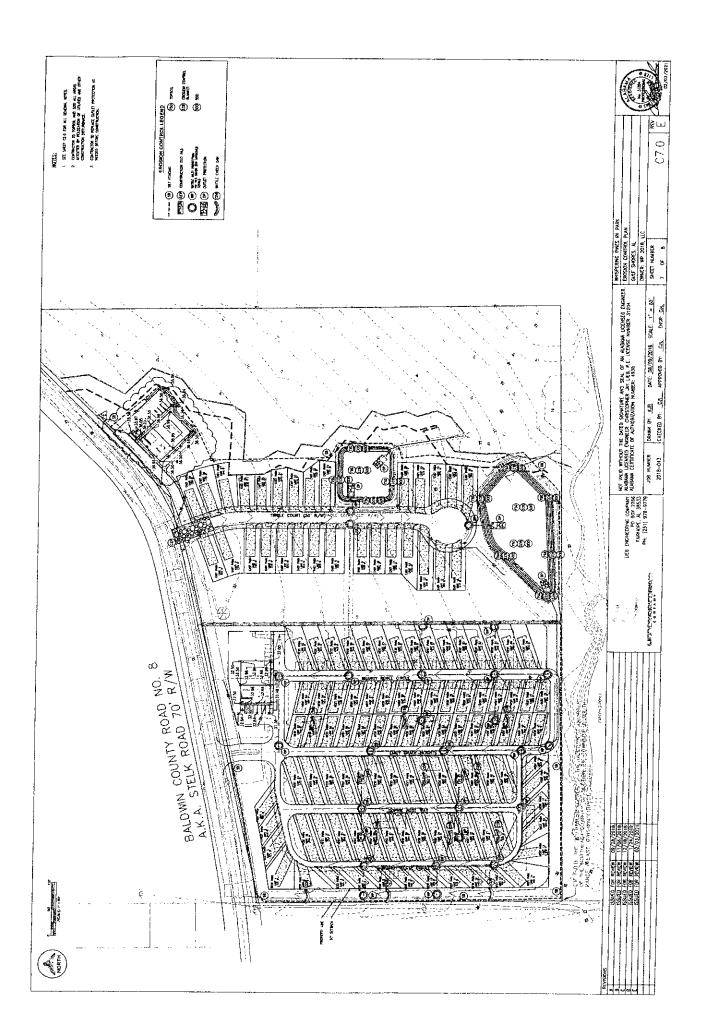
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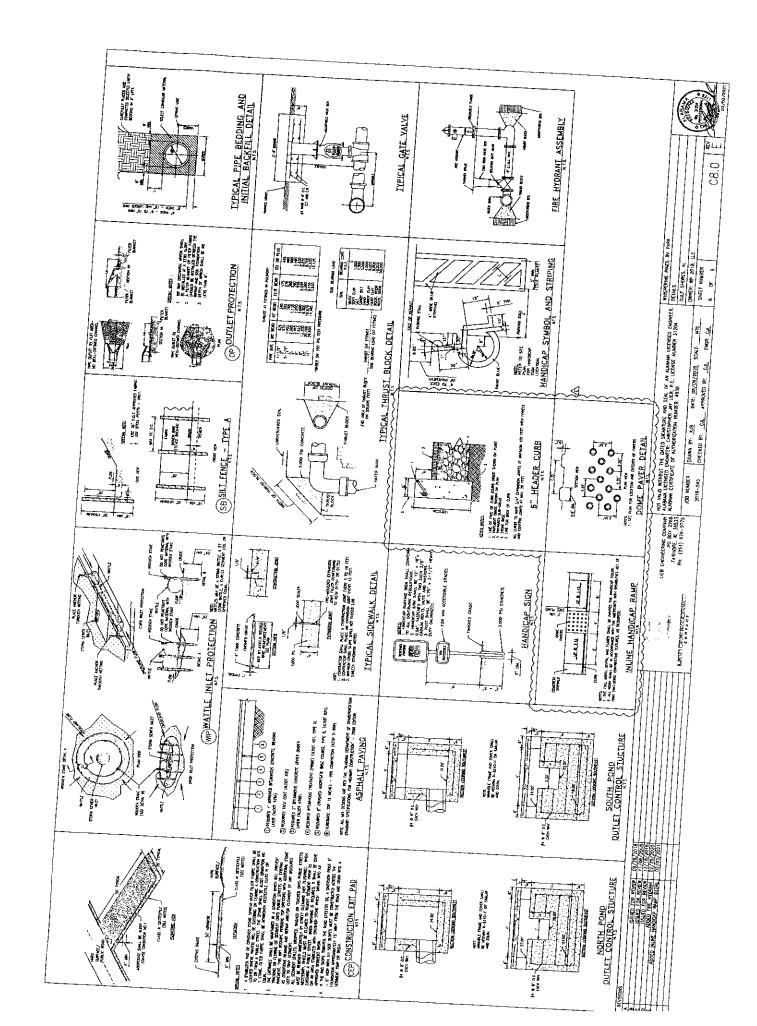


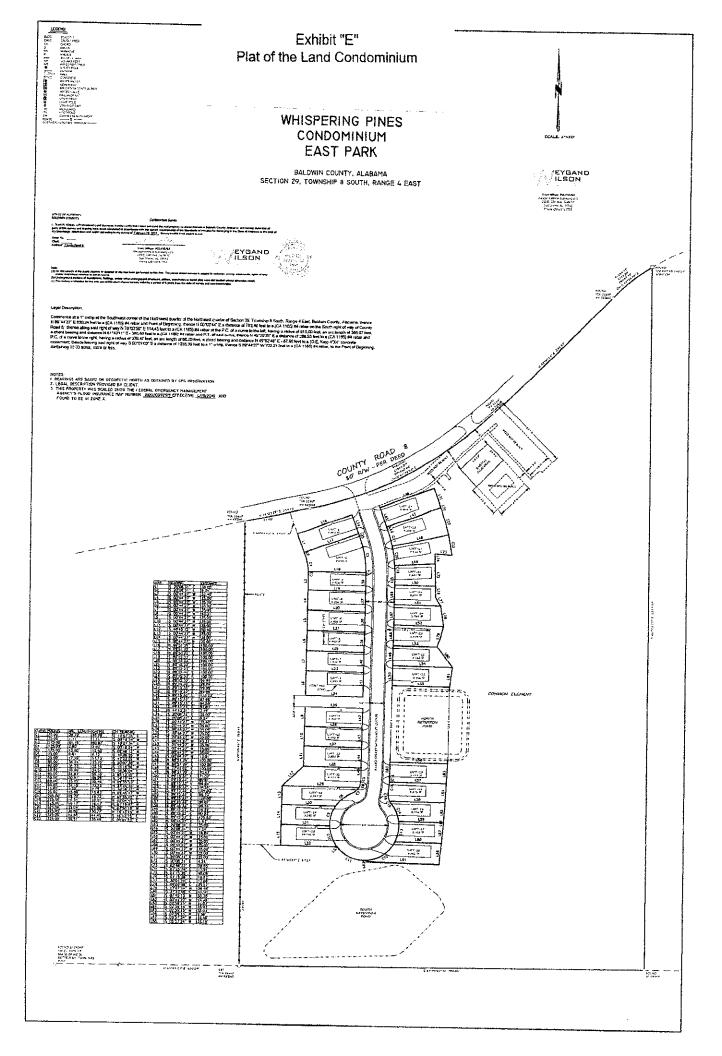


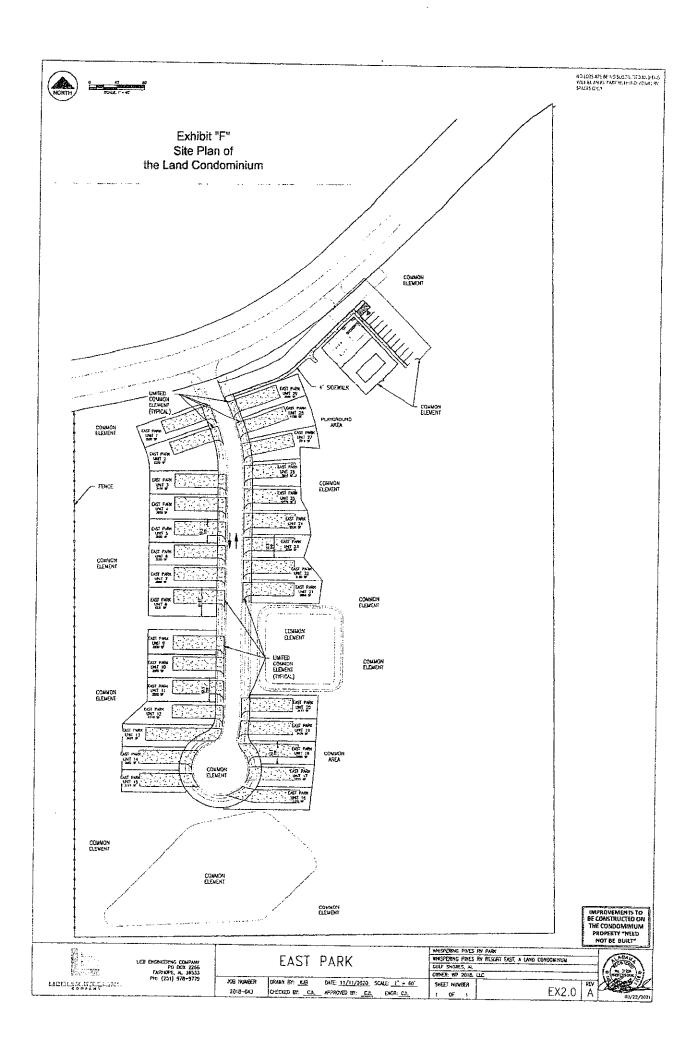
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### **EXHIBIT "G"**

# WHISPERING PINES RV RESORT EAST, A LAND CONDOMINIUM TITLE EXCEPTIONS

- a. Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments or notices of such proceedings, whether or not shown by the public records of such agency or by the Public Records.
- b. All ad valorem taxes and assessments for the year of closing and thereafter not yet due and payable.
- c. Any facts, rights, interests, or claims that are not shown by the Public Records but could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- d. Easements, encumbrances, or claims thereof, not shown by the Public Records.
- e. Any encroachment, encumbrance, overlaps, boundary line disputes, erosion, violation, variation, adverse circumstances or other matters affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records or by an inspection of the Land.
- f. Any lien, or right to a lien, for services, labor, or material heretofore or hereinafter furnished, imposed by law and not shown by the Public Records.
- g. Any mineral or mineral rights leased, granted or retained by current or prior owners.
- h. Subject to a reservation of any oil, gas and other minerals in, on and under the Condominium Property presently of record granted or retained by a current or prior owner and all rights in connection therewith including but not limited to reservations of one-half (1/2) interest in all oil, gas and other minerals and all rights in connection therewith as contained in deed from the Merchants National Bank of Mobile, as Trustee for Williams Downer, III, et al., under and pursuant to that certain Trust Agreement dated September 21, 1971 and recorded in Deed Book 419 page 840.

- i. Utility easement and right of way for utilities granted Baldwin County Electric Membership Corporation by James K. Clarke, unmarried, dated November 5, 1937, and recorded in Deed Book 63, Page 519.
- j. Utility easement granted Baldwin County Electric Membership by John D. Clarke by James F. Findley, his attorney in fact, dated September 1, 1959, and recorded in Deed Book 285, Page 377.
- k. Any and all existing easements and/or rights of way for roads including but not limited to Road Deed executed by James K. Clarke and James K. Clarke, Jr. to Baldwin County, Alabama, dated May 31, 1917 and recorded in Deed Book 26, Page 541.
- 1. Certificate of Formation of WP 2018, LLC, dated July 12, 2018, and filed for record July 13, 2018, in Instrument Number 1707721.
- m. Warranty Deed executed by Benton M. Wheeler to WP 2018, LLC, dated July 13, 2018, and filed for record July 18, 2018, in Instrument Number 1708542.
- n. Development Rights and Special Developer Rights granted Developer by the Condominium Documents and by the Alabama Uniform Condominium Act of 1991 (the "Act").
- o. Subject to the Declaration of Condominium of Whispering Pines RV Resort East, a Land Condominium, and all exhibits thereto as recorded in the Office of Baldwin County Judge of Probate and any and all subsequent amendments thereto.
- p. Subject to the Plans listed as <u>Exhibit "D"</u> to the Declaration of Condominium of Whispering Pines RV Resort East, a Land Condominium, as recorded in the Office of the Baldwin County Judge of Probate.
- q. Subject to the Plat listed as <u>Exhibit "E"</u> to the Declaration of Condominium of Whispering Pines RV Resort East, a Land Condominium, as recorded in the Office of the Baldwin County Judge of Probate.
- r. Subject to the Bylaws of Whispering Pines RV Resort East, a Land Condominium Owners Association, Inc., as listed as **Exhibit "B"** to the Declaration of Condominium of Whispering Pines RV Resort East, A Land Condominium as recorded in the Office of the Baldwin County Judge of Probate and any and all subsequent amendments thereto.
- s. Subject to any future adjustments made by either the Tax Assessor's office or the Board of Equalization.

- t. Building setback lines, public parking areas, and drainage easements as described in the Declaration which would be disclosed by an accurate survey and inspection of the Premises.
- u. That portion of the Condominium Property which lies within the right of way of a public right of way.
- v. Zoning, planning, subdivision regulations, ordinances, laws and other restrictions or regulations upon the use or division of the land comprising the Condominium Property as may be by the County of Baldwin, Alabama, the City of Gulf Shores, Alabama, or any other governmental authorities having jurisdiction over the Property.
- w. Restrictive Covenants, if any.
- x. The term of existing farm leases, if any.
- y. Any matters affecting the Title to the Condominium Property that are not properly indexed in the probate records of the Office of Baldwin County Judge of Probate.

All recording references are to the office records in the Office of the Judge of Probate, Baldwin County, Alabama, subject to the terms and conditions hereinafter set forth.