#### BY-LAWS

#### OF ABBINGTON DOWNS HOMEOWNERS

ASSOCIATION

ARTICLE I

MEMBERS &

### DEFINITIONS

SECTION 1. Eligibility. The Members of the Abbington Downs Homeowners Association, a non-profit corporation (hereinafter called the "Association") shall consist of the respective Lot Owners of the Property known as Abbington Downs, a plat of which is recorded in the Office of the Probate Judge of Madison County, Alabama, in Plat Book 27, Pages 93 & 94 (hereinafter called the "Property"), in accordance with the respective percentages of ownership interest in the Association owned by the respective Lot Owners. The words "Member" or "Members" as used in these By-Laws mean and shall refer to "Lot Owner" or "Lot Owners". If a Lot Owner is a trust, then the Member shall be a beneficiary of such trust, and if a Lot Owner or such beneficiary is a corporation or partnership, the Member may be an officer, partner or employee of such corporation or partnership.

SECTION 2. Succession. The membership of each Lot Owner shall terminate when he ceases to be a Lot Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be transferred to the new Lot Owner succeeding to such ownership interest.

SECTION 3. Regular Meeting's. The first regular annual meeting of members (the "First Meeting") may be held, subject to the terms hereof, on any date, at the Option of the Board, provided, however, that the first meeting shall be held no later than the earlier of the following events: one hundred twenty (120) days after Developer has sold and delivered deeds for at least seventy-five percent (75%) of the Lots or five (5) years following conveyance by Developer of the first .Lot, whichever event occurs first. Subsequent to the First Meeting, there shall be a regular annual meeting of members held each year within fifteen (15)/days of the anniversary of the First Meeting. All such meetings of members shall be held at such place in Madison County, Alabama, and at such time as specified in the written notice of such meeting which shall be delivered to all members at least ten (10) days prior to the date of such meeting.

## SECTION 4. Definitions.

A. "Developer" means SRD Development Corp., a corporation, its successors and assigns, provided such successors or assigns are

designated in writing by Developer as a successor or assign of the rights of Developer as set forth herein.

- B. "Lot" means a lot as described and shown on the plat, for a single family detached home.
- "Lot Owner" means the person or persons whose C. estates or interests, individually collectively, aggregate fee simple ownership of Lot. Lot Owner shall not mean the . mortgagee or assignee of a recorded mortgage which holds a lien solely for security purposes and does not have possession of the Unless specifically provided otherwise herein, the Developer shall be deemed a Lot Owner so long as it is the legal title holder of any Lot.

SECTION 5. Special Meeting. Special meetings of the members may be called by the President or by a majority of the Directors of the Board, or by Members having at least fifty (50%) percent of the votes entitled to be at such meeting. Said Special Meetings shall be called by delivering written notice to all Members not less than ten (10) days prior to the date of said meeting, stating the date, time and place of said Special Meeting and the matters to be considered.

SECTION 6. Delivery of Notice of Meetings. Notices of meetings may be delivered either personally or by mail to a Member at the address given to the Board by said Member for such purpose, or to the Member's Lot, if no address for such purpose has been given to the Board.

SECTION 7. Voting. After the number of Class A Lots reaches seventy-five (75) and five (5) years from the date hereof has expired as provided hereafter, the aggregate number of votes for all Members of the Association, shall be ninety-nine (99) -(total of lots in subdivision) and shall be divided and allocated among the respective Lot Owners (subject to change if the Developer adds additional property to the subdivision with the addition of more lots) as follows:

Prior to such time there shall be two (2) classes of Lots with respect to voting rights:

Class A. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined, and the Owner(s) of each such Class A Lot shall be entitled to one (1) vote.

When two (2) or more persons hold an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members.

The vote for such Lot shall be exercised by

one of such persons as proxy and nominee for all persons holding an interest in a Lot and in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. Class B Lots shall be all Lots owned by
Developer which have not been converted to
Class A Lots as provided above. Developer
shall be entitled to four (4) votes for each
Class B Lot which it retains. The Class B
Lots shall cease to exist and shall be
converted to Class A Lots when there are
thirty-eight (38) Owner occupied residences on
Class A Lots, provided that the Class B Lots
shall not, in any event, cease to exist until
the expiration of five (5) years from the date
hereof.

No Lot Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote hereunder until he has cured such default. A Lot Owner shall be deemed to be in default if he has not paid his assessments to the Board, or their agent, within fifteen (15) days after receipt of notice of assessment. A Lot Owner may protest, the amount of the assessment, but, it still must be paid during the pendency of the protest to the Board.

SECTION 8. Quorum. A quorum of Members for any meeting shall be constituted by Members represented in person or by proxy and holding a majority of the votes entitled to be cast at such meeting.

### ARTICLE II Board of

### Directors

SECTION 1. Number, Election and Term of Office. The Board of Directors of the Association (sometimes referred to herein as the "Board") shall consist of no more than

Five (-5) Members (hereinafter referred to as "Directors"). Directors shall be elected at the regular annual meeting of the Association Members by the vote of the Lot Owners, except that until such time as- the First Meeting of Members is held, the Directors (hereinafter called "Members of the First Board") shall be appointed by Developer. Those candidates for election as Director receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected. Every Director, except for Members of the First Board, shall hold office for the term of three (3) years and until his successor shall be elected and qualified. The (2) Members of the First Board shall hold office until the first regular annual meeting of Association Members.

SECTION 2 . Qualification. Except for Members of the First Board, each Director shall be a Lot Owner or the spouse of a Lot Owner (or, if a Lot Owner is a trustee of a trust, a Director may be a beneficiary of such trust, and if a Lot Owner or such a beneficiary is a corporation or partnership, a Director may be an officer, partner or employee of such corporation or partnership). If a Director shall cease to meet such qualifications during his term he shall thereupon cease to be a Director and his place on the Board shall be deemed vacant.

SECTION 3. VACANCIES. Any vacancy occurring in the Board shall be filled by majority vote of the remaining Members thereof. Any Director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Director which he succeeds.

SECTION 4. MEETINGS. A regular annual meeting of the Board shall be held within ten (10) days following the regular annual meeting of Lot Owners. Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than forty-eight (48) hours notice in writing to each Director, delivered personally or by mail or telegram. Any Director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Director's attendance at a meeting shall constitute his waiver of notice of said meeting.

SECTION 5. Removal. Any Director may be removed from office for cause by the vote of two-thirds (2/3) of the total membership of the Association.

SECTION 6. Compensation. Directors shall receive no compensation for their services as Directors, unless expressly provided for in Resolutions duly adopted by the Lot Owners.

SECTION 7. Quorum. Two (2) Directors shall constitute a quorum.

SECTION 5. Powers and Duties. The Board shall have the following powers and duties:

- (a) To elect and remove the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association as hereinafter provided;
- (c) To formulate policies for the administration, management and operation of the Property and the Common Elements thereof;

- (d) To adopt rules and regulations, with written notice thereof to all Lot Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time.
- (e) To provide for the maintenance, repair, and replacement of the Common Elements and payments thereof, and to approve payment vouchers or to delegate such approval to the officers;
- (f) To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements;
- (g) To appoint committees of the Board and to delegate to such committees the Board's authority to carry out 'certain duties of the Board7
- (h) To determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;
- (i) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Lot Owners their respective shares of such estimated expenses, as hereinafter provided;
- (j )To enter into any lease agreement for lease of any Lot owned or leased by the Association upon such terms as the Board may approve.

### ARTICLE III

### Officers

SECTION 1. Designation. At such regular annual meeting, the Directors present at said meeting shall elect the following officers of the Association from the Board by a majority vote:

- (a) A President, who shall be a Director and who shall preside over the meetings of the Board and of the Members, and who shall be the chief executive officer of the Association;
- (b) A Vice-President, who shall be a Director and who shall preside in the absence of the President;
- (c) A Secretary, who shall keep the minutes of all meetings of the Board of the Members, and who shall, in general, perform all the duties incident to the office of Secretary;
- (d) A Treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;
- (e) Such addition officers as the Board shall see fit to elect. One person may serve in more than one office simultaneously.
- SECTION 2 . Powers. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.
- SECTION 3. Term of Office. Each officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified; except the initial Board shall hold office for the term set forth in the Articles of Incorporation.
- SECTION 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the remaining Members thereof at a Special Meeting of said Board. Any person so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of two-thirds (2/3) of the total membership of the Board at a Special Meeting thereof, in which event, a non-Board member may be elected to such office.
- SECTION 5. Compensation. The officers shall receive no compensation for their services as officers, unless expressly provided for in a Resolution duly adopted by the Lot Owners.

### ARTICLE IV

### Assessments

SECTION 1. Annual Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated common expenses and cash requirements for the year including, but limited to, salaries, wages, payroll taxes, legal and accounting

fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses. To the extent that the assessments and other cash income collected from the Lot Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account. The annual budget shall also take into account the estimated net available cash income for the year and a reserve for capital replacements, in reasonable amounts as determined by the Board.

SECTION 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Lot Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first year day of the first month and of each succeeding month of the year covered by the annual budget, each Lot Owner shall pay, as his respective monthly assessment .for the common expenses, one-twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Lot Owner shall be in accordance with his respective ownership interest in the Association. The Board may determine different allocations with respect to a part of such charges whenever it appears to the Board that such an allocation would be unfair. The allocations shall be applied uniformly to all Owners of like situations. The allocation of the Board shall be final and binding upon all parties. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Lot Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Lot Owner shall pay his monthly assessment on or before the first day of each month to the Board. No Lot Owner shall be relieved of his obligation to pay his assessment by abandoning or not using his Lot or the Common Elements.

SECTION 3. Partial Year or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Lot Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his Lot, each Lot Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be as computed by the Board.

SECTION 4. Annual Report. Within sixty (60) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Lot Owner a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem desirable.

SECTION 5. Supplemental Budget. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses and/or limited common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Lot Owner, and thereupon a supplemental assessment shall be made to each Lot Owner for his proportionate share of such supplemental budget.

SECTION 6. Expenditures. The Board shall not approve any expenditure in an amount in excess of twenty percent (20%) of the annual budget for the then current year, unless required for emergency repair, protection, or operation of the Common Elements, nor enter into any contract for more than three (3) years, without the prior approval of two-thirds (2/3) of the total votes in the Association.

SECTION 7. Lien. It shall be the duty of every Lot Owner to pay his proportionate share of the common, expenses and/or limited common expenses as assessed in the manner herein provided.

If any Lot Owner shall fail or refuse to make any such payment of the common expenses and/or limited common expenses when due, the amount thereof together with the interest thereon at the highest lawful rate per annum after said common expenses become due and payable, shall constitute a lien, enforceable by the Board, on the interest of such Lot Owner in his Lot and the appurtenant interest in subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Lot Owner, except for the amount of the proportionate share of common expenses which are due and payable from and after the date on which such mortgage owner or holder either takes possession of the Lot, accepts a conveyance of any interest therein (other than as security), or files suit to foreclose its mortgage or deed of trust. The provisions of this paragraph of this Section 7 shall not be amended, changed, modified or rescinded in any way without the prior written consent of all such lien holders of record.

The Association or its successors and assigns, or the Board or its agents, shall have the right to enforce such lien or to maintain a suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with legal interest and reasonable attorneys' fees to be fixed by the Court. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in these By-Laws, or as are otherwise available at law or in equity, for the collection of all unpaid

assessments.

SECTION 8. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Association and the Common Elements, specifying and itemizing the common expenses and limited common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine.

The Board shall, upon receipt of ten (10) days written notice to it or the Association and upon payment of a reasonable fee, furnish to any Lot Owner a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Lot Owner.

SECTION 9. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the common elements, rather than a lien against only a particular Lot. When less than all the Lot Owners are responsible for the existence of any such lien, the Lot Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorneys' fees, incurred by reason of such lien.

SECTION 10. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Lot Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Lot Owners in percentages of the Lot Owners as from time to time existing.

## ARTICLE V Use and Occupancy

## Restrictions

SECTION 1. General. The restrictions on use and occupancy of the property as contained in the Restrictions and any subsequent amendments or modifications thereto duly made and recorded in accordance with the terms thereof, are incorporated herein by reference as if fully set out.

SECTION 2. Rules and Regulations. Lot Owners shall be subject to such further restrictions as may be contained in rules and regulations of the Association concerning the use of Lots, and the Common Elements which may be enacted from time to time by the Board. All such rules and regulations shall be binding rules and regulations of the Association unless rejected by at least sixty-six and two-thirds percent (66 2/3%) of the votes of Lot Owners, and copies of such rules and regulations and any amendments of

additions thereto shall be furnished to all Lot Owners upon request.

#### ARTICLE VI

## Contractual Powers

No contract or' other transaction between this Corporation and one or more of its Directors or between this Corporation and any corporation, firm or association in which one or more of the Directors of this Corporation are Directors, or are financially interested, is void or voidable because such Director or Directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or 'transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

- (a) The fact of the common directorship or financial interest is disclosed or known to the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifys the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director or Directors; or
- (b) The contract or transaction is just and reasonable as to the Corporation at the time it is authorized or approved.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

### ARTICLE VII

## Amendments

These By-Laws may be amended or modified from time to time by action or approval of sixty-six and two-thirds percent (66 2/3%) of the votes in the Association. Such Amendments shall be recorded in the Probate Judge's Office of Madison County, Alabama.

#### ARTICLE VIII

# Indemnification

SECTION 1. General. To the extent permitted by law, the Association shall indemnify and hold harmless each of its Directors and officers, each member of any committee appointed pursuant to the By-Laws of the Association, and the Board, against all contractual and other liabilities to others arising out of contracts made by or other acts of such Directors, Board, officers,

shall continue as to a person or entity who has ceased to be a Member of the Board of Directors, officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

### ARTICLE IX

## Mortgages

SECTION 1. Notice to Board. A Lot Owner, who mortgages his Lot shall notify the Board of the name and address of his mortgagee and shall file a conformed copy of the Note and Mortgage with the Board; and the Board shall maintain such information in a Book entitled "Mortgages on Lots".

SECTION 2. Notice of Unpaid Common Charges. The Board, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid common charges due from, or any other default by the Owner of the mortgaged Lot.

SECTION 3. Notice of Default. The Board, when giving notice to a Lot Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Lot whose name and address has heretofore been furnished to the Board.

SECTION 4. Examination of Books, Documents and Records. The Board shall make available for inspection, on request during normal business hours, to Lot Owners, the holders of mortgages on Lots, and the insurers and guarantors of any first mortgage, copies of the By-Laws, rules and regulations of the Property, and the books, records, and financial statements of the Association.

SECTION 5. Interest of Valid First Mortgagee. The interest of a valid first mortgagee shall be superior to the interest of the Board in the event of a default, and nothing in this instrument shall be construed to the contrary. If the first mortgagee has incorporated the terms of these By-Laws and the contract in its mortgage, then the first mortgagee may at its option declare a default in its mortgage by reason of any default hereunder, and may proceed to enforce its rights according to the terms of the mortgage notwithstanding any enforcement instituted by the Board.

or committee members, on behalf of the Members or arising out of their status as Directors, Board, officers or committee members, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claims, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such Director, officer, Board, or committee member may be involved by virtue of such persons being or having been such Director, officer, Board, or committee member.

SECTION 2. Success on Merits. To the extent that a member of the Board of Directors or an officer of the Association or a member of any committee appointed pursuant to the By-Laws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

SECTION 3. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article VIII.

SECTION 4. Miscellaneous. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article, provided, however, that the liability of any member arising out of any contract made by or other acts of the Directors, Board, officers, or members of such committees, or out of the aforesaid indemnity in favor of the Directors, Board, officers, or members of such committees, shall be limited to said member's percentage of interest in the Common Elements. Every agreement made by the Directors, Board, officers, or members of such committees, shall provide that the Directors, Board, officers, or members of such committees, as the case may be, are acting only as agents for the Member and shall have no personal liability thereunder (except as Members), and that each Member's liability thereunder shall be limited to his percentage of interest in the Common Elements. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of Members of the Association or disinterested Members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification We, the undersigned, being the incorporators and Directors of

ABBINGTON DOWNS HOMEOWNERS ASSOCIATION, INC. hereby approve, ratify and adopt the foregoing By-Laws on this the 23rd day of November, 1992.

INCORPORATOR:

SRD DEVELOPMENT CORP.

BY": '

"" ,£INDA SPEIGLE

ITS: PRESIDENT

BY: .-

STEVEN R. DORFMAN '

ITS: SECRETARY/TREASURER

DIRECTORS:

LINDA SPEIGLE, PRESIDENT

STEVEN R. DORFMAN, SEC./TREAS

#### RESTRICTIONS

### PART A; DECLARATION

KNOW ALL MEN BY THESE PRESENTS: That, Whereas, the undersigned 3RD DEVELOPMENT CORP., (hereinafter referred to as "Developer"), is the owner of all of the lots and property known as ABBINGTON DOWNS, Madison, Alabama, which is subdivided and platted according to the plat of Abbington Downs, Madison, Alabama, and of record in the Office of the Judge of Probate of Madison County, Alabama, in Plat Book 27, Pages 93 & 94; and

WHEREAS, it is the desire of the undersigned, as the owner of said property, to fix and establish certain restrictions as to the use and enjoyment of said lots and property embraced in said plat and to make such restrictions as a part of the dedication of the streets, alleys, public ways so dedicated to the public by the filing of such plat and thereby protect all persons, firms or corporations that may hereinafter become the owners of said property or lots or parts thereof.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt whereof is hereby acknowledged, 3RD DEVELOPMENT CORP. hereby agrees that said lots and property located in said plat shall be subject to the following covenants, terms, conditions, restrictions and limitations.

#### PART B: AREA OF APPLICATION

FULLY PROTECTED RESIDENTIAL AREA. The residential area covenants in Part C in their entirety shall apply in their entirety to the subdivision.

### PART C: RESIDENTIAL AREA COVENANTS

C-1 LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. There shall not exist on any lot at any time more than one residence. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two and one-half stories in height and a private garage for not more than three cars.

C-2 ARCHITECTURAL CONTROL. For the purpose of insuring the development of the lands so platted as an area of high standards, no building, structure or other improvements shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure has been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design and colors with existing structures and as to location with respect to topography and finish grade elevation. More specifically, such approval shall also include type and color of brick, mortar, roof shingles, outside colors, mail boxes, fences, landscaping and any other such items as further delineated in Part D of the Restrictions. Whether or not provision therefor is specifically stated in any conveyance of a lot, the owner or occupant of each and every lot, by acceptance of title thereto or by taking possession thereof, covenants and agrees that no building, wall, driveway, or other structure shall be placed upon such lot unless and until the plans and specifications therefor and plot plan have been approved in writing by the Architectural Control Committee hereinafter provided. Each such building, wall, driveway or structure shall be placed on the premises only in accordance with the plans and specifications and plot plan so approved. Refusal of approval of plans and specifications by such Architectural Control Committee may be based on any ground, including purely aesthetic grounds which, in the sole and uncontrolled discretion of the Committee shall seem sufficient. No alteration in the exterior appearance of the buildings or structures shall be made without

- like approval. Notwithstanding the foregoing, the Architectural Control Committee shall have the right to make such exceptions to these restrictions as the Committee shall deem necessary, appropriate or proper.
- C-3 DWELLING QUALITY AND SIZE. The ground floor heated living area of the main structure, exclusive of open porches, terraces and garages, shall be not less than 2200 square feet for a one-story dwelling, nor less than 1000 square feet (ground floor area) for a dwelling of more than one story. The total heated living area for a dwelling of more than one story shall be not less than 2400 square feet.
- C-4 BUILDING LOCATIONS. No building or any part thereof, including garages and porches, shall be located on any lot nearer to the front line, or nearer to either side lot line, or nearer to the rear lot line than the minimum building set-back lines as shown on the recorded plat. Where two or more lots are acquired as a single building site, the side lot lines shall refer only to the lot lines bordering the adjoining property owners.
- C-5 SUBDIVISION OF LOTS. None of the lots shall at any time be divided into as many as two building sites, provided however, a single lot together with contiguous portions of one or more lots in the same block may be used for one building site.
- C-6 EASEMENTS. Easements to each individual lot for installation and maintenance of utilities and drainage facilities are reserved on the Iocs as shown on the recorded plat. The granting of this easement or right of access shall not prevent the use of the area by the owner for any permitted purpose except for buildings. A right of pedestrian access by way of a driveway or open lawn area shall also be granted on each lot, from the front lot line to the rear lot line, to any utility company having an installation in the easement.
- C-7 NUISANCES. No horses, cattle, swine, goats, poultry, or fowl shall be kept on any lot. No clothes lines, garbage cans, equipment, coolers, dog houses, woodpiles or storage piles shall be permitted unless concealed by hedges, lattice work or screening acceptable to the Architectural Control Committee. No underbrush or other unsightly growths shall be permitted to grow or remain upon the premises, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon.
- C-8 TEMPORARY STRUCTURES. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings shall be permitted on any lot at any time either temporarily or permanently.
- C-9 SIGNS. No sign of any kind shall be displayed to the public view on any lot except that one sign of not more than eight (8) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.
- C-10 OIL AND MINING OPERATIONS. No oil-drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designated for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.
- C-11 COMMERCIAL VEHICLES. No trucks, boats, trailers, etc., commercial type vehicles, motor homes, construction or like equipment or mobile or stationary trailers of any kind shall be stored or parked on any lot except while parked in a closed garage nor parked on any residential street in the subdivision except while engaged in transporting to or from a residence in the subdivision.

- C-12 GARBAGE AND DISPOSAL. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.
- C-13 SEWAGE DISPOSAL. No individual sewage disposal system shall be permitted on any lot unless such system is designed, located and constructed in accordance with the requirements, standards, and recommendations of both state and local public health authorites. Approval of such system as installed shall be obtained from such Authority.
- C-14 WALLS. No boundary wall or fence shall be constructed and no boundary line hedge or shrubbery shall be permitted until the height, type, design, and approximate location therefor shall have been approved in writing by the Architectural Control Committee. No chain link or similar type fence shall be permitted. The heights or elevations of any wall shall be measured from the existing elevations of the property at or along the applicable points of lines. Any question as to such heights may be completely determined by the Architectural Control Committee.
- C-15 LETTER AND DELIVERY BOXES. The Architectural Control Committee shall approve the location, color, size, design, lettering and all other particulars of all mail or paper delivery boxes, brackets and name signs for such boxes in order that the area be kept uniform in appearance with respect thereto.
- C-16 UTILITY LINES, RADIO AND TELEVISION ANTENNAS AND SOLAR PANELS. All electrical service and telephone lines shall be placed underground. No exposed or exterior radio or television transmission or receiving antennas, satellite dishes and solar panels shall be erected, placed, or maintained on any part of such premises unless concealed from the view of neighboring lots, roads, or streets.
- C-17 LAND ELEVATION AND LANDSCAPE PLAN. No substantial changes in the elevations of the lot shall be made without the prior written approval of the Architectural Control Committee. A detailed 'landscaping plan must be submitted to the Architectural Control Committee and its written approval obtained prior to the commencement of any work. Such plan must include a minimum of seven (7) trees (4 in the front yard and 3 in the rear yard) each being at least 8 to 10 feet in height. Front yards must be sodded. Side and rear yards may be seeded. The entire yard may be seeded however, only if a sprinkler system is installed at the same time (i.e. during initial construction landscaping).
- C-18 TREE REMOVAL. No trees larger than six (6) inches in diameter at the base that are outside or beyond ten (10) feet of the house foundation or five (5) feet of driveways or walks shall be removed without prior written approval of the Architectural Control Committee.
- C-19 POOLS. Swimming pools shall not be nearer than fifteen (15) feet to any lot line and shall not project more than two (2) feet above the established grade. No pool of any type shall be constructed on any lot until after the type, design and size are approved in writing by the Architectural Control Committee.
- C-20 CONSTRUCTION DEBRIS. Owners of lots and their builders shall be responsible for keeping all debris, i.e., dirt, mud, etc. off the streets during construction. Owners of lots and their builders shall be responsible for limiting the burning of waste materials on site to a small, confined warming fire during cold weather. All other debris shall be promptly removed from the lot after construction is completed.
- C-21 PARKING. No on-street parking shall be permitted by lot owners, their families, employees, tenants and guests except for special circumstances, i.e., social functions, inclement weather, etc. Side, rear and front entry garages are permitted. No carports shall be permitted.

C-22 SIDEWALKS. The construction of any sidewalks required by any municipality having jurisdiction over the premises and the cost thereof shall be the sole responsibility of the lot owner as to his lot. Such required sidewalk must be installed no later than October 15, 1994. In the case of non-compliance, the Developer shall install the required sidewalk and bill the then current owner.

#### PART D. ARCHITECTURAL CONTROL COMMITTEE

D-1 MEMBERSHIP. The Architectural Control Committee is composed of Linda Speigle and Steven R. Dorfman of Huntsville, Alabama. The committee may designate a representative to act for it. In the event of death or resignation of either member of the Committee, the remaining member shall have full authority to designate a successor. Neither the members of the Committee nor its designated representative, shall be entitled to any compensation for services performed pursuant to this covenant. A decision of the Committee, when made in good faith, shall be binding and conclusive on all lot owners.

D-2 CONSTRUCTION MATERIALS. Plans and specifications for all buildings, structures and other improvements must be submitted to the Architectural Control Committee, or its duly authorized agent, for written approval as to quality of workmanship and materials, harmony of external design, size, and compatibility with existing structures, and as to location with respect to topography and finish grade elevation prior to the commencement of any construction. A family of exterior building materials, i.e., brick, stone, wood and shingles, as shall be approved in writing by the Architectural Control Committee shall be utilized. All roofs shall be of standard or architectural grade shingles, their equivalent, or better, and of such colors as shall be approved in writing by the Architectural Control Committee. The use of all exterior building materials and exterior colors shall be approved in writing by the Architectural Control Committee. All building exteriors must be of brick, stone or stucco on at least three sides (front & both ends). End gables may be sided.

D-3 APPROVAL OF PLANS. All plans for the construction of private roads and driveways and all building plans for any building, fence, wall, swimming pool or structure to be erected upon any lot, and the proposed location thereof upon any lot, and any changes after approval thereof, any remodeling, reconstruction, alteration, or addition to any building, road, driveway, swimming pool or other structure upon any lot shall require the approval in writing of the Architectural Control Committee. Before beginning the construction of any road, driveway, building, fence, wall coping, swimming pool or other structure whatsoever, or remodeling, reconstruction, or altering the same, the person or persons desiring to erect, construct or modify the same shall submit to the Architectural Control Committee two complete sets of building plans and specifications for the building, fence, wall coping, or other structure, as is applicable, so desired to be erected, constructed, or modified. No structure or other improvement of any kind, the plans, elevations, the building, and specifications of which have not received the written approval of the Architectural Control Committee, or which does not comply fully with such approved plans and specifications, shall be erected, constructed, placed or maintained upon any lot. Approval of such plans and specifications shall be evidenced by written endorsement on such plans and specifications, a copy of which shall be delivered to the owner or owners of the lot upon which the prospective building, road, driveway, structure, or other improvement is contemplated prior to the beginning of such construction. No changes or deviations in or from such plans and specifications as approved shall be made without the prior written consent of the Architectural Control Committee. Neither the Developer nor the Architectural Control Committee shall be responsible for any structural defects. defects structural such in plans specifications or in any building or structure erected according to such plans and specifications.

D-4 PROCEDURE. The Committee's approval or disapproval as required

in these covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within fourteen (14) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction be required, the related covenants shall be deemed to have been fully complied with.

#### PART E; GENERAL PROVISIONS.

E-1 TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of fifty (50) years from the date of the recordation of these covenants, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots have been recorded, agreeing to change said covenants in whole or in part.

E-2 ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover

E-3 SEVERABILITY. Invalidation of any one of these covenants by Judgment or Court Order shall in no wise affect any of the other provisions which shall xemain in full force and effect.

IN WITNESS WHEREOF, the said SRD Development Corp. by its officers, who are authorized to execute this instrument, hereto set their signature and seal, this the 23rd November , 1992.

SRD

/LJWDA SPEIGLE' X

ITS: PRESIDENT

F.

D

VELOP] BY:

BY:

STEVEN R. DORFMAN

b

ITS: SECRETARY/TREASURER

STATE OF ALABAMA

COUNTY OF MADISON

I, the undersigned, a Notary Public in and for said County and State, hereby certify that Linda Speigle whose name as President of SRD Development Corp. is signed to the foregoing Restrictions and covenants, and who is known ta me, acknowledged before me on this day that, being informed of the contents of the instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the day the same bears date.

GIVEN under my hand and official seal this th> e day November, 1992.

NOTARY PUBLIC

STATE OF

ALABAMA COUNTY

OF MADISON

I, the undersigned, a Notary Public in and for said County and State, hereby certify that Steven R. Dorfman whose name as Secretary/Treasurer of 3RD Development Corp. is signed to the foregoing Restrictions and covenants, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the day the same bears date.

GIVEN under my hand and official seal this the 23 day of November, 1992.

NOTATRY PUBLIC: Theresia D. Harding

MY COMM. EXPIRES: 1-7-96

THIS INSTRUMENT PREPARED BY:

RANKIN SNEED, ATTORNEY AT LAW 206 LINCOLN STREET' HUNTSVILLE, ALABAMA 3580L