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Declaration of Covenants,
Conditions and Restrictions
For
Old Battles Village, Phase One, a Subdivision

**Declaration of Covenants,
Conditions and Restrictions
For
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**Declaration of Covenants,
Conditions and Restrictions**
For
Old Battles Village, Phase One, a Subdivision

STATE OF ALABAMA :

COUNTY OF BALDWIN :

This Declaration made to be effective on the Effective Date (as defined in this Declaration) by Phoenix Real Estate Fund I, L.L.C., a Delaware Limited Liability Company (the "Declarant").

RECITALS:

A. The Declarant is the owner of the real property located in Baldwin County, Alabama which is known as Old Battles Village, Phase One, a Subdivision recorded in the Office of the Judge of Probate of Baldwin County, Alabama, in Slide 2312B (the "Plat"), together with all improvements and appurtenances sometimes referred to in this Declaration as "Old Battles Village, Phase One".

B. The Declarant intends by this Declaration to impose upon Old Battles Village, Phase One mutually beneficial restriction under a general plan of improvement for the benefit of all Owners of Lots in Old Battles Village, Phase One and to provide a method whereby other property may become part of Old Battles Village, A Subdivision subjected to this Declaration by the recordation of a supplement to this Declaration.

C. The Declarant has caused the Old Battles Village Property Owners' Association, Inc., an Alabama Nonprofit Corporation (the "Association") to be formed as a master association for the purpose of providing an Alabama Nonprofit Corporation to serve as representative of the Declarant and the Owners of Old Battles Village, Phase One.

D. The Association and Old Battles Village, Phase One shall be subject to the terms and conditions of this Declaration.

NOW THEREFORE, the Declarant declares that Old Battles Village, Phase One and any Additional Property as may be Subsequent Amendment be added to and be subjected to this Declaration shall be held, sold and conveyed or encumbered, tented, used, occupied and improved, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the land and which shall be binding on all parties having any right, title or interest in Old Battles Village, Phase One or any part of Old Battles Village, Phase One, their heirs, successors and assigns, and shall inure to the benefit of each Owner of Old Battles Village, Phase One.

Article I
Definitions

The following words and terms when used in this Declaration (unless the context clearly shall indicate otherwise) shall have the following meanings:

Section 1.01. "**Additional Property**" shall mean and refer to additional real property and any improvements situated on said real property that may become subject to this Declaration by exercise of

the unilateral right of annexation by the Declarant as provided in this Declaration. The Additional Property may also include Common Area.

Section 1.02. “Architectural Committee” shall mean and refer the Architectural Committee described in Article IV of this Declaration.

Section 1.03. “Architectural Guidelines” shall mean and refer to a publication promulgated and amended from time to time by the Board of Directors of the Association for the purpose of establishing rules, regulations and limitations and regulating and governing the use of Old Battles Village, Phase One as more particularly provided in this Declaration.

Section 1.04. “Articles of Incorporation” or “Articles” shall mean and refer to the Articles of Incorporation of the Association.

Section 1.05. “Assessments” shall mean and refer to the Assessments provided for in this Declaration which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and the occupants of Old Battles Village, Phase One and for the purpose of maintaining Old Battles Village, Phase One, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized in this Declaration.

Section 1.06. “Association” shall mean and refer to Old Battles Village Property Owners’ Association, Inc., an Alabama Nonprofit Corporation, and the successors and assigns of the Association.

Section 1.07. “Old Battles Village, Phase One” shall mean and refer to that certain real property described in Paragraph A. under Recitals on Page 1 of this Declaration.

Section 1.08. “Board of Directors” shall mean and refer to the Board of Directors of the Association.

Section 1.09. “By-Laws” shall mean and refer to the By-Laws of the Association.

Section 1.10. “Common Area” or “Common Property” shall mean and refer to the areas designated on the Plat of Old Battles Village, Phase One and Common Areas or Private Access Easements, Private Access and Utility Easements or Private Drainage and Utility Easements or any property, buildings, fixtures, facilities or other personal property now owned or otherwise acquired by the Association by purchase, gift, lease or otherwise to be devoted to the common use and enjoyment of the Owners of Old Battles Village, Phase One.

Section 1.11. “Common Expenses” shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve, as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the Articles of Incorporation of the Association and the By-Laws of the Association.

Section 1.12. “Declarant” shall mean and refer to Phoenix Real Estate Fund I, LLC, a Delaware Limited Liability Company, or the successors and assigns of Phoenix Real Estate Fund, LLC if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 1.13. “**Declaration**” shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, which shall be recorded in the Probate Records of Baldwin County, Alabama. As the same may from time to time be supplemented or amended in the manner described in this Declaration.

Section 1.14. “**Deed**” shall mean and refer to any Deed, assignment, lease, or other instrument conveying fee simple title or a leasehold interest in any part of Old Battles Village, Phase One.

Section 1.15. “**Eligible Mortgage Holder**” shall mean and refer to a holder, insurer, or guarantor of a first mortgage on a Lot who has requested notice of certain matters from the Association as provided in this Declaration and in the By-Laws.

Section 1.16. “**Existing Property**” shall mean and refer to Old Battles Village, Phase One.

Section 1.17. “**Lot**” shall mean and refer to any improved or unimproved plot, parcel, or portion of land shown upon the Plat or any recorded final subdivision map of Old Battles Village, Phase One, with the exception of the Common Property, and shall include where the context may indicate, any improvement or fixture located on the Lot.

Section 1.18. “**Majority**” shall mean and refer to those eligible votes, the Owners, or other groups as the context may indicate totaling more than fifty percent of the total eligible number.

Section 1.19. “**Member**” shall mean and refer to a Person or entity who holds membership in the Association, as provided in this Declaration.

Section 1.20. “**Mortgage**” shall mean and refer to any Mortgage, Deed with vendor’s lien reserved and any and all other similar instruments used for the purpose of conveying or encumbering real property’s security for the payment or satisfaction of an obligation.

Section 1.21. “**Mortgage**” shall mean and refer to the holder of any Mortgage, the holder of any vendor’s lien reserved, and the holder of any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of any obligation.

Section 1.22. “**Owner**” shall mean and refer to the record Owner, whether one or more Persons or entities, of a fee simple title to any Lot which is a part of Old Battles Village, Phase One, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.23. “**Permitted Antennas**” shall mean and refer to the Permitted Antennas referred to and described in Section 7.27 of this Declaration.

Section 1.24. “**Person**” shall mean and refer to a natural Person, corporation, partnership, trustee or other legal entity.

Section 1.25. “**Plat**” shall mean and refer to the Plat of Old Battles Village, Phase One, a Subdivision described in Paragraph A of the Recitals of this Declaration.

Section 1.26. “**Subsequent Amendment**” shall mean and refer to an amendment or supplement to this Declaration which subjects Additional Property to this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the land submitted by the Subsequent Amendment.

Article II
Mutuality of Benefit and Obligation

This Declaration is made for the mutual and reciprocal benefit of each and every part of Old Battles Village, Phase One and is intended to create mutual, equitable servitudes upon Old Battles Village, Phase One, to create reciprocal rights between the respective Owners and future Owners of Old Battles Village, Phase One, and to create a privity of contract and estate between the grantees of Old Battles Village, Phase One, their heirs, successors and assigns.

Article III
Property Rights and Easements

Section 3.01. Easement of Enjoyment by the Owners. Every Owner shall have and is granted a nonexclusive right and easement of ingress, egress, use and enjoyment in and to the Common Area necessary for access to the Lot of said Owner and such rights shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to charge reasonable admission and other fees for the use and maintenance of the Common Property and to impose reasonable limits on the number of guests who may use the Common Property.

B. The right of the Association, in addition to the other rights set for the in this Declaration to suspend the voting rights of an Owner and the right to use any of the Common Property for any period during which any Assessment against the Lot of that Owner remains unpaid, and for any infraction by an Owner of the Architectural Guidelines after a hearing by the Board of Directors for the duration of the infraction and for an additional period not to exceed thirty days

C. The right of the Declarant with regard to portions of Old Battles Village, Phase One which may be owned by the Declarant to grant easements in, on and over Old Battles Village, Phase One to any public agency, authority or utility. The right of the Declarant to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as the Declarant shall deem appropriate without eh consent or approval of the Association or any Lot Owner.

D. The right of the Association to borrow money for the purpose of improving the Common Property, or any portion of the Common Property, for acquiring additional Common Property, or for constructing, repairing or improving any facilities located or to be located on the Common Property, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property. Provided, However, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements and privileges reserved or established in this Declaration for the benefit of the Declarant or any Owner, or the holder of any Mortgage, irrespective of when executed, given by the Declarant or any Owner encumbering any Lot or other property located within Old Battles Village, Phase One.

E. Subject to the right of the Decalrant to dedicate the Common Area to any public agency, authority or utility as provided for in the Declaration, the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer by the Association shall be effective unless an instrument agreeing to such dedication or transfer has been approved: (i) by at least two-thirds of the votes of the Members of the Association which are present or represented by proxy and entitled to be cast at a meeting duly called for such purpose, and (ii) by the

Declarant so long as the Declarant shall own any Lots or other property in the Subdivision which may be brought within the jurisdiction of the Association as provided for in this Declaration.

F. The parking of automobiles in the designated area within the Common Area is restricted to the Owners and guests, invitees and tenants of the Owners and shall not interfere with the rights of ingress and egress of the Owner or any particular Lot. The parking of automobiles may be regulated by the Association.

G. The right of the Association to adopt and promulgate reasonable rules, regulations and limitations, including but not limited to the Architectural Guidelines, pertaining to the use of Old Battles Village, Phase One, which, in the discretion of the Association, shall serve to promote the best interests of the Owners and residents in Old Battles Village, Phase One.

H. The right of the Association to maintain and repair any fence, sign or other improvement that may be located in the Common Area.

Section 3.02. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws and subject to reasonable rules, regulations and limitations, including but not limited to Architectural Guidelines, as may be adopted in accordance with this Declaration, the right of enjoyment of said Owner in the Common Area and facilities to the members of the family, tenants and social guests or contract purchasers of said Owner who reside on Lots in Old Battles Village, Phase One.

Section 3.03. Common Area and Private Easements. The Common Area and areas designated on the Plat as Private Access Easements, Private Access and Utility Easements or Private Drainage and Utility Easements are NOT DONATED, DEDICATED OR GRANTED TO THE PUBLIC, but shall be conveyed by the Declarant, subject to the rights reserved to the Declarant in this Declaration to dedicate or transfer any Common Area, Private Access Easements, Private Access and Utility Easements or Private Drainage and Utility Easements to any public agency, authority or utility, to the Association for use as Common Property for the benefit of the Association. The Common Property and Private Access Easements, Private Access and Utility Easements or Private Drainage and Utility Easements shall be owned, used and maintained by the Association, subject to the rights reserved to the Declarant, and neither the recording of the Plat nor any other act of the Declarant shall be construed as a dedication of the Private Access Easements, Private Access and Utility Easements or Private Drainage and Utility Easements to the public unless said dedication is specifically provided by separate instrument. The rights-of-way being reserved by the Declarant will not be conveyed to the Association as Common Area.

Section 3.04. Drainage Easements. Except with prior written permission from the Declarant, or (when so designated by the Declarant) from the Architectural Committee, drainage flow shall not be obstructed nor be diverted from drainage swales, storm sewers and/or utility easements as designated in this Declaration, or as may hereafter appear on any Plat of record in which reference is made to this Declaration. The Declarant may cut drain ways for surface water wherever and whenever such action may appear to the Declarant to be necessary in order to maintain reasonable standards of health, safety and appearance. Provided, However, the right of the Declarant to cut drain ways on a Lot or an Owner shall terminate when the principal structure and approved landscaping on such property have been completed. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installment and to maintain reasonable standards of health and appearance. The provisions in this Declaration shall not be construed to impose any obligation upon the Declarant to cut such drain ways. The Association shall be responsible for maintaining all drainage structures and lakes and vegetation ponds located within Old Battles Village, a Subdivision.

Section 3.05. Grading. The Declarant may at any time make such cuts and fills upon any Lot or other part of Old Battles Village, Phase One and do such grading and moving of earth as, in the judgment of the Declarant, may be necessary to improve or maintain the access area or roads in or adjacent to Old Battles Village, Phase One and to drain surface waters from Old Battles Village, Phase One; and may assign such rights to the appropriate governmental authority. Provided, However, that after plans for the principal structure upon a Lot shall have been approved by the Architectural Committee as provided in this Declaration, the rights of the Declarant under this Section 3.05. shall terminate with respect to all parts of such Lot other than the easement area on the Lot. Except that the Declarant or any such municipal or public authority shall have the right to maintain existing roads and drainage structures.

Section 3.06. Easements for Utility. There is reserved to the Association blanket easements upon, across, above and under Old Battles Village, Phase One for access, ingress, egress, installation, repairing, replacing and maintaining all utilities serving Old Battles Village, Phase One, including but not limited to gas, water, sanitary sewer, telephone, cable television and electricity, as well as storm drainage and any other service which the Association might decide to install to serve Old Battles Village, Phase One. It shall be expressly permissible for the Association or the designee of the Association, as the case may be to install, repair, replace and maintain or to authorize the installation, repair, replacement and maintenance of such sires, conduits, cables and other equipment relating to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board of Directors shall have the right to grant such easement.

Section 3.07. Easement for Governmental, Health, Sanitation and Emergency Services. There is granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation. Police services and any emergency services such as fire, ambulance and rescue services, a nonexclusive easement, for purposes of ingress and egress over the Common Area. In furtherance of the foregoing, the Association shall save harmless the appropriate governmental authority from damages to any Person arising out of the use of the Common Area by said governing authority for the uses which are stated in this Section 3.07.

Section 3.08. Reserved Easement to the Declarant. Notwithstanding any provisions contained in this Declaration to the contrary, the Declarant expressly reserves unto the Declarant, and the successors and assigns of the Declarant, a nonexclusive, perpetual right, privilege and blanket easement with respect to Old Battles Village, Phase One and the Common Area for the benefit of the Declarant, and successors and assigns of the Declarant, over, under, in and/or on Old Battles Village, Phase One or the Common Property, without further obligation and without charge to the Declarant, for the purpose of construction, installation, relocation, development, sale, maintenance, repair, replacement, use and enjoyment and/or otherwise dealing with Old Battles Village, Phase One or the Common Property. The reserved easement shall constitute a burden on the title to Old Battles Village, Phase One and the Common Property and specifically includes but is not limited to:

A. The right of access, ingress and egress for vehicular and pedestrian traffic over, under, on, or in Old Battles Village, Phase One and the Common Property; and the right to tie into any portion of Old Battles Village, Phase One or the Common Property with driveways, parking areas and walkways; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair and device which provides utility or similar services, including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over Old Battles Village, Phase One or the Common Property.

B. The right to construct, install, replace, relocate, maintain, repair, use and enjoy signs, model residences, sales offices, construction offices and business offices as, in the sole opinion of the Declarant, may be required, convenient, or incidental to the construction and sale by the Declarant of the improvements in Old Battles Village, Phase One or the Common Property or the Additional Property.

C. No rights, privileges and easements granted or reserved in this Declaration shall be merged into the title of any property, including, without limitation, Old Battles Village, Phase One or the Common Property, but shall be held independent of such title, and no such right, privilege or easement shall be surrendered, conveyed, or released unless and until and except by delivery of a quitclaim deed from the Declarant releasing such right, privilege or easement by express reference thereto.

D. The right of the Declarant in the sole judgment of the Declarant, without the approval or consent of the Association or any Lot Owner to use the Common Area to provide access to other property located in Old Battles Village, Phase One or other property located outside of Old Battles Village, Phase One, to dedicate all or any of the Common Area to any public agency and to retain an easement for ingress and egress to serve Old Battles Village, Phase One or property outside Old Battles Village, Phase One.

E. The right of the Declarant to add Additional Property pursuant to this Declaration.

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

So long as the Declarant continues to have rights under this Section 3.08., no Person or entity shall record any declaration of covenants, conditions and restrictions or similar instrument affecting any portion of Old Battles Village, Phase One or the Common Property without the review by the Declarant and written consent thereto, and any attempted recordation without compliance with this Declaration shall result in such declaration of covenants, conditions and restrictions or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

This Section 3.08. may not be amended without the express written consent of the Declarant. Provided, However, the rights contained in this Section 3.08. shall terminate upon the earlier of (a) the date on which the Declarant no longer owns any Lot or any other property in the Subdivision which may be brought within the jurisdiction of the Association as provided for in this Declaration, or (b) upon recording by the Declarant of a written statement releasing the rights of the Declarant under this Section 3.08.

Article IV

Architectural Committee: Architectural Control

Section 4.01. Architectural Committee. The Architectural Committee (the "Architectural Committee") shall be composed of at least three individuals designated and redesignated from time to time (i) by the Declarant so long as the Declarant owns any Lot or any property in the Subdivision which may be brought within the jurisdiction of the Association as provided for in this Declaration or until the Declarant releases the right if the Declarant elects to do so prior to the sale of all Lots in Old Battles Village, Phase One, and (ii) by the Association thereafter. Delegation of control of the Architectural

Committee from the Declarant to the Association shall be evidenced by an instrument signed by the Declarant and filed for record in the Probate Records of Baldwin County, Alabama.

Except as provided in this Declaration, the affirmative vote of a Majority of the membership of the Architectural Committee shall be required in order to approve any plans and specifications submitted under this Article IV.

Section 4.02. Architectural Guidelines. The Declarant may prepare the initial Architectural Guidelines, which may contain general provisions applicable to Old Battles Village, Phase One as well as specific provisions which may vary from Lot to Lot. The Architectural Guidelines are intended to provide guidance to that Owners and builders regarding matters of particular concern to the Architectural Committee in considering applications. The Architectural Guidelines are not the exclusive basis for decisions of the Architectural Committee and compliance with the Architectural Guidelines does not guarantee approval of any application.

The Declarant shall have sole and full authority to amend the Architectural Guidelines as long as the Declarant owns any Lot in Old Battles Village, Phase One, notwithstanding a delegation of reviewing authority to the Architectural Committee, unless the Declarant also delegates the power to amend the Architectural Guidelines. Upon termination or delegation of the right of the Declarant to amend, the Architectural Committee shall have the authority to amend the Architectural Guidelines with the consent of the Board of Directors.

Any amendments to the Architectural Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Guidelines and such amendments may remove requirements previously imposed or otherwise make the Architectural Guidelines less restrictive.

The Architectural committee shall make the Architectural Guidelines available to the Owners and builders who seek to engage in development or construction within Old Battles Village, Phase One. In the discretion of the Declarant, such Architectural Guidelines may be recorded in the Office of the Judge of Probate of Baldwin County, Alabama, in which event the recorded version, as the recorded version may unilaterally be amended from time to time, shall control in the event of any dispute as to which version of the Architectural Guidelines was in effect at any particular time.

Section 4.03. Procedures. Except as otherwise specifically provided in the Architectural Guidelines, no activities shall commence on any portion of Old Battles Village, Phase One until an application for approval has been submitted to and approved by the Architectural Committee. Provided, However, prior to submission by an Owner of an application for approval by the Architectural Committee, the Owner shall submit a site plan sketch of the real property and the proposed improvements and the elevation of the proposed improvements for review by the Architectural Committee. Upon approval by the Architectural Committee of the preliminary items required in this Section 4.03, the Owner shall proceed to present a full application for approval by the Architectural Committee of the real property and improvements as proposed by the Owner. Such application shall include plans and specifications showing site layout, structural design, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation and other features of proposed construction, as applicable. The architectural Committee may require the submission of such additional information as may be reasonably necessary to consider any application.

In reviewing each submission, the Architectural Committee may consider any factors the Architectural Committee deems relevant, including, without limitation, harmony of external design with

Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements. The Architectural Committee shall have the sole discretion to make final, conclusive and binding determinations on matters of aesthetic judgment and such determinations shall not be subject to review so long as made in good faith and in accordance with the procedures set forth in this Declaration.

The Architectural Committee shall make a determination on each application within thirty days after receipt of a completed application and all required information. The Architectural Committee may (i) approve the application, with or without conditions; (ii) approve a portion of the application and disapprove the other portions; or (iii) disapprove the application.

Until expiration of the rights of the Declarant under this Declaration, the Architectural Committee shall notify the Declarant in writing within three business days after the Architectural Committee has approved any application within the scope of matters delegated to the Architectural Committee by the Declarant. This notice shall be accompanied by a copy of the application and any additional information which the Declarant may require. The Declarant shall have ten days after receipt of such notice to veto any such action, in the sole discretion of the Declarant, by written notice to the Architectural Committee.

The Architectural Committee shall notify the applicant in writing of the final determination on any application within five days thereafter or, with respect to any determination by the Architectural Committee subject to the right of the Declarant to veto, within five days after the earlier of : (i) receipt of notice of the veto by the Declarant or the waiver of Declarant; or (ii) expiration of the ten day period for exercise of the veto of the Declarant. In the case of disapproval, the Architectural Committee may, but shall not be obligated to, specify the reasons for any objections and/or suggestions for curing any objections.

In the event that the Architectural Committee fails to respond in a timely manner, approval shall be deemed to have been given, subject to the right of the Declarant to veto pursuant to this Declaration. Notice shall be deemed to have been given at the time the envelope containing the response is deposited with the United States Postal Service. Persona delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery to the applicant.

If construction does not commence on a project for which plans have been approved within one year after the date of approval, such approval shall be deemed withdrawn and it shall be necessary for the Owner to reapply or approval before commencing any activities. Once construction is commenced, construction shall be diligently pursued to completion. All work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Architectural Committee grants an extension in writing, which the Architectural Committee shall not be obligated to do. If approved work is not completed within the required time, it shall be considered nonconforming and shall be subject to enforcement action by the Association, the Declarant or any aggrieved Owner.

The Architectural Committee may, by resolution, exempt certain activities from the application and approval requirements of this Article IV, provided such activities are undertaken in strict compliance with the requirements of such resolution.

Section 4.04. No Waiver of Future Approvals. Each Owner acknowledges that the Persons reviewing applications under this Article IV will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Architectural Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features until work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the Architectural Committee may refuse to approve similar proposals in the

future. Approval of applications or plans or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar applications, plans or other matters subsequently or additionally submitted for approval.

Section 4.05. Variances. The Architectural Committee may authorize variances from compliance with any of the guidelines and procedures of the Architectural Committee when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. No variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) preclude the Architectural Committee from denying a variance in other circumstances. For purposes of this Declaration, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of any financing shall not be considered a hardship warranting a variance.

Section 4.06. Retention of Copy of Plans. Upon approval by the Architectural Committee of any plans and specifications submitted pursuant to this Declaration, a copy of such plans and specifications, as approved, shall be deposited for record with the Architectural Committee. The Architectural Committee shall not be obligated to retain such plans and specifications in the files of the Architectural Committee for any particular period of time.

Section 4.07. Rules of Architectural Committee; Effect of Approval and Disapproval; time for Approval. In addition to the Architectural Guidelines promulgated from time to time by the Board of Directors of the Association as provided for in this Declaration, the Architectural Committee may promulgate rules governing the form and content of plans to be submitted for approval or requiring specific improvements on Lots, including, without limitation, exterior lighting, mandatory planting of certain plants and trees and mandatory installation of sidewalks, and may issue statement of policy with respect to approval or disapproval of the architectural styles or details, or other matters, which may be presented for approval. Such rules and such statements of policy may be amended or revoked by the Architectural Committee at any time, and no inclusion in, omission from or amendment of any such rule or statement shall be deemed to bind the Architectural Committee to approve or disapprove any feature or matter subject to approval, or to waive the exercise of Architectural Committee discretion as to any such matter, but no change of policy shall affect the finality of any approval granted prior to such change. Approval for use on any Lot of any plans or specifications shall not be deemed a waiver of the right of the Architectural Committee, in the discretion of the Architectural Committee, do disapprove such plans or specifications or any of the features or elements included in said plans or specifications, if such plans, specifications features or elements are subsequently submitted for use on any other Lot or Lots. Approval of any such plans and specifications relating to any Lot, however, shall be final as to that Lot and such approval may not be revoked or rescinded, provided (i) that the structure or uses shown or described on or in such plans and specifications do not violate any specific prohibition contained in this Declaration, and (ii) that the plans and specifications, as approved, and any condition attached to any such approval, have been adhered to and complied with in regard to all structures on and uses of the Lot in question.

Section 4.08. Certificate of Compliance. Upon completion of the construction or alteration of any structure in accordance with plans and specification or alteration of any structure in accordance with plans and specifications approved by the Architectural Committee, the Architectural Committee shall, upon written request of said Owner issue a certificate of compliance in form suitable for recordation, identifying such structure and the Lot on which such structure is placed, and stating that the plans and specifications, the location of such structure and the use or uses to be conducted thereon have been approved and that such structure complies with the requirements of the Architectural Committee. Preparation and recording of such certificate shall be at the expense of said Owner. Any certificate of compliance issued in accordance with the provisions of this Section 4.08. shall be prima facie evidence of the facts stated, and as to any purchaser or encumbrancer in good faith and for value, or as to any title

insurer, such certificate shall be conclusive evidence that, as of the date of the certificate, all structures on the Lot, and the use or uses described therein comply with the requirements of this Article IV, and with all other requirements of this Declaration as to which the Architectural Committee exercises any discretionary or interpretive powers.

Section 4.09. Inspection and Testing Rights. Any agent of the Declarant, the Association or the Architectural Committee may at any reasonable time or times enter upon and inspect any Lot and any improvements on said Lot for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction, or alteration of the structures on said Lot are in compliance with the provisions of this Declaration; and neither the Declarant, the Association nor the Architectural Committee nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection. Any such inspection shall be for the sole purpose of determining compliance with this Declaration, and neither the making of any such inspection, nor the failure to make any such inspection, shall be relied upon by the Owner of a Lot or any third Person or entities for any purpose whatsoever; nor shall any such inspection obligate the Declarant, the Association or the Architectural Committee to take any particular action based on the inspection.

Section 4.10. Waiver of Liability. Neither the Architectural Committee nor any architect nor agent of the Architectural Committee, not the Association, nor the Declarant, nor any agent or employee of the foregoing, shall be responsible in any way for any failure of structures to comply with requirements of this Declaration, although a certificate of compliance has been issued, not for any defects in any plans and specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications, and any Person relying thereon or benefitting therefrom agrees not to sue or claim against the entities and Person referred to in this Section 4.10. for any cause arising out of the matters referred to in this Section 4.10. and further agrees to and does release said entities and Person for any and every such cause.

Section 4.11. Owners Obligations. If the Owner should fail to faithfully execute the plans and specifications submitted to and approved by the Architectural Committee, the Association shall have the right to enter into a contract with a third party for the execution of the plans and specifications as approved, and the cost thereof shall be a binding, personal obligation of the Owner when billed by the Association as well as a lien upon the Lot in questions. The lien provided in this Section 4.11. shall have the same enforceability and priority as the lien provided for in Article X of this Declaration.

Article V **Zoning and Specific Restrictions**

This Declaration shall not be taken as permitting any action or thing prohibited by the applicable laws, or the laws, rules or regulations of any governmental authority, including but not limited to subdivision regulations, zoning ordinances and historical districts, or by specific covenants or restrictions imposed by any Deed or lease. In the event of any conflict, the most restrictive provision of such laws, rules, regulations, Deeds, leases, covenants, restrictions or this Declaration shall be taken to govern and control. Old Battles Village, Phase One is subject to the following additional matters of record:

Any potential current use rollback taxes which may be assessed against Old Battles Village, Phase One by the Baldwin County Revenue Commissioner's Office.

Minimum building setback lines and drainage and utility easements as shown on the recorded Plat of said subdivision.

Article VI
Site Development

Section 6.01. Site to Be Staked Prior to Tree Cutting. Simultaneously with the submittal of the plans and specifications to the Architectural Committee as provided for in Article IV of this Declaration the improvements for the site of the structure must be staked, the trees must be flagged and such site approved by the Architectural Committee before tree cutting is done. No tree may be cut or removed without consent of the Architectural Committee until the building plans, site plans, landscape plans and site staking are approved by the Architectural Committee. The Owner must faithfully execute the building plans, site plans, landscape plans and site staking as submitted to and approved by the Architectural Committee.

Section 6.02. Erosion Control. Erosion control measures shall be taken by the Owner of a Lot, and the contractors of said Owner, to protect adjacent properties during construction on such Lot and until the soil is stabilized on the Lot. This may be accomplished by the use of temporary retention ponds, silt fencing, hay bales or other protective measures intended to intercept and filter the excess storm water runoff from the Lot. All erosion control measures, including slope stabilization, must be specified on the grading plan and must be approved by the Architectural Committee prior to commencement of grading activities.

Any storm water retention ponds created during construction on a Lot shall not remain as permanent ponds after completion of construction unless so provided in the grading, site and landscaping plans submitted to and approved by the Architectural Committee.

If any portion of Old Battles Village, Phase One is located within an area designated as "flood prone" pursuant to Federal law and regulations, all improvements constructed in said flood prone area must be constructed in accordance with all Federal, state and local laws and regulations pertaining to flood prone areas.

Section 6.03. Utility Lines and Appurtenances. All gas, water, sewer, telephone, television cable and electrical feeder and service lines shall be installed as underground service unless otherwise approved by the Architectural Committee. All transformer boxes, meters or other such fixtures shall be adequately screened with plants or other materials approved by the Architectural Committee.

Section 6.04. Connections Points for Utility Service Lines. To the extent of the interests of the Owner of each Lot, each Owner agrees to connect utility service lines (including, but not limited to , gas, water, sewer, telephone, television cable and electricity) at points designated by the Architectural Committee.

Section 6.05. Landscaping. The landscape plan must be approved by the Architectural Committee prior to any site disturbance. The landscape plan shall indicate the proposed type, location, size and quantity of all plant materials to be planted on the Lot. The landscape plan shall include provision for an underground sprinkler system which is approved by the Architectural Committee. The landscape plan for each Lot 11 through Lot 55 shall include the provision of city required street trees which shall be live oaks only, which are at least 12 feet tall and 2.5" – 3" in diameter to be located as specified on the master plan (Exhibit attached). In addition to the two trees in the right of way two (2) additional trees native to the area shall be planted in the front yard of each house. No pine trees are allowed. Each tree shall be a minimum of 2.5" – 3" in diameter and at least 12 feet tall. These trees may be placed in a location that is at the discretion of the builder or homeowner.

Section 6.06. Colors; Architectural Styles. All exterior building materials and colors must be approved by the Architectural Committee. Excessively bright colors or objectionable noticeable colors are prohibited. All architecture must be compatible with the atmosphere of Old Battles Village, Phase One and with surrounding buildings within Old Battles Village, Phase One. No unfinished foundation walls or exposed concrete block shall be allowed on the exterior of any building. Vinyl and aluminum siding shall not be allowed on the exterior of any building. No more than two (2) exterior finish materials may be used on the improvements for any Lot in Old Battles Village, Phase One. On any corner Lot, the elevation of the improvements facing the side street must use the same architectural detail and quality of design as the design of the elevation of the improvements facing the front street, including all required landscaping and no air conditioning units or utility meters shall be placed on the yard between the improvements and the side street.

Section 6.07. Exterior Lighting. Exterior lighting plans must be set forth on the architectural or landscape plans for a Lot, and must be approved by the Architectural Committee. No exterior lighting fixture (other than fixtures approved by the Architectural Committee) shall be installed within or upon any Lot without adequate and proper shielding of the fixture. No lighting fixture shall be installed that may become an annoyance or a nuisance to Owners or occupants of adjacent properties. All modifications to exterior lighting must be approved in writing by the Architectural Committee in advance as provided for in this Declaration. No flood lights or security lights shall be allowed on any Lot. No lights shall be attached to the soffits of any improvements on the Lot unless the lights are recessed.

Article VII **General Covenants and Restrictions**

The Association is empowered to enforce the following covenants and restriction which shall pertain to Old Battles Village, Phase One and to set forth policy as to enforcement of said this Declaration in accordance with this Declaration and the By-Laws.

Section 7.01. Permitted Uses and Structures. All Lots which are part of Old Battles Village, Phase One are declared to be residential Lots, and no Lot shall be used except for single-family residential purposes. No building or structure shall be constructed, erected, altered, placed, remodeled, reconstructed, added to, or permitted to remain on any Lot other than a single-family dwelling. No previously approved structure shall be used for any purpose other than that for which said approved structure was originally designed. The elevation of the first floor (living area) of any dwelling or improvement may not exceed the height approved by the Architectural Committee. No foundation or footing may be constructed of exposed wooden pilings, poles or concrete block. Any detached structures constructed on the Lot must have previous written approval by the Association and must use the same architectural style and materials as are used in construction of the principal residence on the Lot.

Section 7.02. Business Use. Except as provided in this Declaration, no trade or business may be conducted in or from any Lot. Notwithstanding the above, the leasing of a Lot for residential purposes shall not be considered a trade or business within the meaning of this Section 7.02.

Section 7.03. Leasing. Lots may be leased for residential purposes. Provided, However, all leases shall be for a minimum term of six (6) months, and such lease and the rights of any tenants are made expressly subject to the power of the Association to prescribe reasonable Architectural Guidelines relating to the lease and rental of Lots and to enforce the same directly against such tenant or other occupant by the exercise of such remedies as the Board of Directors deems appropriate, including eviction. All leases shall require, without limitation that the tenant acknowledge receipt of a copy of the Declaration, the By-Laws, use restrictions, and the Architectural Guidelines. The lease shall also obligate the tenant to comply with the foregoing and shall provide that in the event of noncompliance, the Board

of Directors, in addition to any other remedies available to the Board of Directors, may evict the tenant on behalf of the Owner and specifically assess all costs associated therewith against the Owner and the Lot of the Owner.

Section 7.04. Minimum Dwelling Area. The livable area (heated and cooled areas) of the main building or structure, exclusive of open porches and garages, shall be not less than 1800 square feet.

Section 7.05. Minimum Building Setback Lines. No building or structure located on any Lot shall be constructed, erected, altered, placed, remodeled, reconstructed, added to or allowed to remain on any Lot so as to be located any nearer to any property boundary line than the setback lines shown on the recorded Plat but the Architectural Committee, in the sole discretion of the Architectural Committee, shall have the power to grant exceptions. All setbacks shall comply with all applicable subdivision and zoning regulations.

Section 7.06. Subdivision of Lot and Time Sharing. No Lot shall be split, divided, or subdivided or the boundary lines of the Lot changed except with the prior written approval of the Board of Directors of the Association. The Board of Directors may permit a division in ownership of any Lot intended for a single family detached residence as shown on the Plat, but solely for the purpose of increasing the size of the adjacent Lots, in the event of a division of any Lot, the Owners among whom the ownership is divided shall be treated as co-owners of the divided Lot for purposes of voting and shall be jointly and severally liable for all Assessments under this Declaration against the Lot. The Declaration expressly reserves the right to replat any Lot or Lots owned by the Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

No Lot shall be made subject to any kind of time-share program, interval ownership, or similar program whereby the right to exclusive use of the Lot rotates among multiple Owners or Members of the program on a fixed or floating time schedule over a period of years.

Section 7.07. Adjoining Lot Ownership. For the purposes of this Declaration, any Owner having two (2) or more adjoining Lots may treat, use and build on them as though they were one (1) after making written application and receiving written approval by the Board of Directors. Said approval shall be recorded and operate as an amendment to this Declaration. The rights granted by this Section 7.07. are subject to the easements, if any, granted to others and any applicable subdivision and zoning regulations. If two (2) or more adjoining Lots are combined pursuant to this Section 7.07., dues and assessments will be still be levied by the Association for each original Lot as if they were still separate Lots.

Section 7.08. Use of the Common Area, Private Access Easement, Private Access and Utility Easements or Private Drainage and Utility Easements. The Association shall have full control over the Common Property, Private Access Easement, Private Access and Utility Easements or Private Drainage and Utility Easements and may establish such Architectural Guidelines and conditions for the use of the Common Property, Private Access Easement, Private Access and Utility Easements or Private Drainage and Utility Easements as the Association may deem adequate or necessary and the Association shall have full power and authority to suspend or revoke the privilege and license of any such Owner, and any member of the household of said Owner or any of the guests, tenants, or invitees of said Owner from using the Common Property, Private Access Easement, Private Access and Utility Easements or Private Drainage and Utility Easements, should any such party, while on the Common Property, Private Access Easement, Private Access and Utility Easements or Private Drainage and Utility Easements conduct himself or herself in such a manner as to warrant such acting in the sole discretion of the Majority of the Board of Directors. Provided, However, nothing in this Declaration shall be construed to allow the Association to prohibit any Lot Owner from ingress and egress to and from the Lot of said Owner.

Under no circumstance may any motorized vehicle, all-terrain vehicle, three-wheeler, four-wheeler, motor cycle or any other motorized vehicle of any nature be permitted within the Common Area. The provisions of this Section 7.08, may be waived, altered or amended by the Association.

Section 7.09. Parking and Vehicular Restrictions. Parking in or on Old Battles Village, Phase One or the Common Property shall be restricted as provided in this Declaration, the By-Laws or Architectural Guidelines of the Association.

Any vehicle other than an automobile (for these purposes defined as a passenger vehicle with four (4) wheels used for every day passenger transportation) kept on a Lot must be completely screened by a solid fence from the street and adjacent properties. No vehicle, camper, mobile home, motor home, house trailer or trailer of any type, recreational vehicle, motorcycle, golf car, scooter, go-cart, moped, boat or other water craft, boat trailer, van, bus, automobile, or any other transportation device of any kind shall be permitted to be parked or to be stored at any place within Old Battles Village, Phase One or the Common Property, except in spaces for some or all of the above specifically designated by the Association. No Owner shall keep any vehicle on Old Battles Village, Phase One or the Common Property which is deemed a nuisance by the Board of Directors. No commercial vehicle shall be permitted to be parked or to be stored at any place within Old Battles Village, Phase One or the Common Property except in spaces designated by the Association. For the purposes of this Section 7.07, "commercial Vehicle" shall mean those that are not designated and used for customary, personal/family purposes. The absence of commercial type lettering or graphics on a vehicle shall not be dispositive of whether said vehicle is a commercial vehicle. No Owner shall conduct repairs (except in an emergency) or restorations of any vehicle on or upon any portion of Old Battles Village, Phase One or the Common Property, except in an enclosed area with the doors to that area closed at all times. The prohibitions on parking contained in this Section 7.09, shall not apply to temporary parking of vehicle such as for construction use or providing pick-up and delivery and other commercial services nor to any vehicles of the Declarant. Except as approved in writing by the Association, no overnight on-road parking or parking on lawns shall be permitted on any Lot.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained in this Declaration or in the Architectural Guidelines may be towed by the Association at the sole expense of the owner of the vehicle if the vehicle remains in violation for a period of twenty-four (24) hours from, the time a notice of violation is placed on the vehicle. The Association shall not be liable to the Owner of that vehicle for trespass, conversation, or otherwise, nor guilty of any criminal act. By reason of the towing, and nonce the notice is posted, neither the removal of said notice, nor failure of the owner to receive said notice, for any reason, shall be grounds for relief of any kind, An affidavit of the Person posting the aforesaid notice stating that the notice was properly posted shall be conclusive evidence of proper posting.

For the purposes of this Section 7.09, "vehicle" shall mean and refer to any device on wheels or runners for conveying Persons, property or objects.

Section 7.10. Driveways and Sidewalks. Each Owner of a Lot shall be responsible for building a driveway, at the sole expense of said Owner. Driveways must be constructed of concrete or concrete pavers. Each driveway must be completed on or prior to the completion of the dwelling. All driveways must connect with the adjoining road and the parking area on the Lot. The location, design and construction of all driveways must be approved in writing by the Architectural Committee prior to construction. Each Owner of a Lot shall be responsible for building a concrete sidewalk at the sole expense of said Owner at the time of home construction. The required sidewalk shall run the entire width of the Lot which fronts on a public street. For corner Lots, the required sidewalk shall run the entire

distance of any side of the Lot which abuts a public street. All required sidewalks shall be five (5) feet wide and shall be located at the Lot line which abuts a public street.

Section 7.11. Preservation of Trees, Topography and Vegetation. No tree having a diameter of six (60 inches or more (measured from a point forty-two (42) inches above ground level) shall be removed from any Lot without the express written authorization of the Architectural Committee. If the Association shall deem appropriate, the Architectural Committee may mark certain trees, regardless of size, as not removable without written authorization. In carrying out the provisions of this Section 7.11., the Declarant, the Association and the Architectural Committee and the respective agents of each may come upon any Lot during reasonable hours for the purpose of inspecting or marking trees or in relation to the enforcement and administration of any Architectural Guidelines adopted and promulgated pursuant to the provisions this Declaration. Neither the Association, not the Architectural Committee, not the Declarant, not their respective agents shall be deemed to have committed a trespass or wrongful act by reason of any such entry or inspection.

Section 7.12. Accumulation of Refuse or Noxious Activity. No lumber, metals or bulk materials (except lumber, metals and bulk materials as is usual in the maintenance of a private residence and which must be stored in such a manner so that it cannot be seen from adjacent and surrounding property), refuse or trash shall be kept, stored, or allowed to accumulate on any Lot, except building materials during the course of construction of any approved structure. No harmful or noxious materials shall be stored, either inside any structure, or outside any structure, if said materials pose any significant threat to public health and safety or to individuals employed or living within or in proximity to such structures. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, approved containers may be placed in the open on any day a pick-up is to be made. At all other time, trash and garbage containers shall be screened in such a manner so that they cannot be seen from adjacent and surrounding property, and as approved by the Architectural Committee. All trash and garbage containers shall be kept in a clean and sanitary condition. The Architectural Committee, in the discretion of the Architectural Committee, may adopt and promulgate reasonable Architectural Guidelines relating to the size, shape, color and type of containers permitted and the manner of storage and screening of the same on Old Battles Village, Phase One. During the period of construction on a Lot, an onsite portable dumpster is required for containing construction debris and it shall be the responsibility of the Lot Owner to remove all construction debris from the Lot on a regular and recurring basis.

No portion of Old Battles Village, Phase One shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; not shall any substance, thing, or material be kept on any portion of Old Battles Village, Phase One that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious, illegal or offensive activity shall be carried on upon any portion of Old Battles Village, Phase One nor shall anything be done on Old Battles Village, Phase One tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any portion of Old Battles Village, Phase One. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature that may diminish or destroy the enjoyment of Old Battles Village, Phase One. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within Old Battles Village, Phase One.

Section 7.13. Fences, Walls, Hedges and Ornamental Structures. No fence, wall, hedge, ornamental structure or gazebo shall be located or constructed on any Lot without the prior written approval of the Architectural Committee. No fence, wall, hedge, or structures shall be located nearer the property line of any Lot which adjoins a street than the rear of the dwelling on such Lot without the written approval of the Architectural Committee. No chain link fence may be constructed on any Lot. No

dog runs, animal pens, or fences of any kind shall be permitted on any Lot without the prior written approval of the Architectural Committee. The Association shall have the right to enter upon any Lot and trim or prune, at the expense of the Owner, any hedge or other planting which in the opinion of the Association, by reason of the location upon the Lot or the height to which said planting is permitted to grow, is unreasonably detrimental to the adjoining property or obscures the view of road traffic or is unattractive in appearance. All Lots located at street intersections shall be landscaped to permit safe sight across the street corners. Fences taller than six (6) feet shall not be allowed on any Lot. All fences shall have posts exposed on the outside of the fence with the pickets recessed a minimum of two (2) inches from the face of the posts. Posts shall be a minimum of 4" x 4" for spacing of eight (8) feet on a center and 6" x 6" for larger spacings. All posts shall have caps approved by the Architectural Committee.

Section 7.14. Mail or Newspaper Boxes. The design and location of all mailboxes and newspaper boxes shall be designated by the Architectural Committee.

Section 7.15. Artificial Vegetation, Exterior Sculpture and Similar Items. No artificial vegetation shall be permitted on any Lot or on the exterior of any portion of any improvement on Old Battles Village, Phase One. Exterior sculpture, fountains, flags and similar items must be approved by the Architectural Committee. Provided, However, that nothing contained in this Declaration shall prohibit the appropriate display of the American flag.

Section 7.16. Animals and Pets. No animals, wildlife, livestock, insects, reptiles or poultry of any kind shall be raised, bred, harbored or kept on any Lot except that the Owner may keep domesticated household pets. No such pets shall be kept for any commercial purpose, and any such pets may be kept only so long as they or any of them do not become an annoyance or nuisance to the neighborhood. All pets, at all times when they are outside a residence, must be confined on a leash held by a responsible Person and kept under the close supervision of their owners. Pets shall only be permitted in the Common Area if portions thereof are so designated by the Association. All persons bringing a pet onto a Common Area shall be responsible for immediately removing and solid waste of said pet. Those pets which, in the sole discretion of the Association, endanger health, make objectionable noise or constitute a nuisance or inconvenience to the Owners of other Lots or the Owner of any portion of Old Battles Village, Phase One shall be removed upon request of the Board of Directors.

Section 7.17. Signs. No sign, billboard, advertisement or other advertising device of any nature shall be placed upon any Lot except as provided in this Declaration. The Architectural Committee may adopt and promulgate Architectural Guidelines relating to signs which may be employed. Signs and other advertising devices may be erected and maintained upon any portion of Old Battles Village, Phase One, if approved by the Architectural Committee, as to color, location, nature, size and other characteristics of such signs or devices. Provided, However, the Declarant specifically reserves the right for the Declarant, or the successors, nominees, assigns of the Declarant, and the Association to place and maintain signs in connection with constructing, marketing, selling and renting Lots, and the improvements located on the Lot, and identification and informational signs anywhere on Old Battles Village, Phase One.

Section 7.18. Temporary Structures. No temporary building, trailer, garage or building in the course of construction or other temporary structures shall be used, temporarily or permanently, as a residence or temporary housing or the like on any Lot. If approved by the Architectural Committee, such a structure may be used as a security station during construction or other special purpose.

Section 7.19. Pipes. To the extent of the interest of the Owner of a Lot, no water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground.

Section 7.20. Wall and Window Air Conditioning Units. Wall and window air conditioning units shall not be permitted.

Section 7.21 Clothes Lines. No clothing or any other household fabric shall be hung in the open on any Loy and no clothes lines or clothes hanging devices shall be kept or maintained on any Lot.

Section 7.22. Chimneys. Exposed chimney flues shall be enclosed and contain wind screens at the top of all chimneys. Chimneys may only be constructed of stucco, brick or stone.

Section 7.23. Carports and Garages. No carports or garages shall open toward a road unless approved by the Architectural Committee.

Section 7.24. Play Equipment., Strollers, Etc. All bicycles, tricycles, scooters, skateboards and other play equipment, wading pools, baby strollers and similar items shall be stored so as not to be visible from roads or property adjacent to the Lot. NO such items shall be allowed to remain on the Common Area or on Lots so as to be visible from adjacent property or the road when not in use. Notwithstanding he above, the Board of Directors may, but shall not be obligated to, permit swing sets and similar permanent playground equipment to be erected on Lots provided said equipment is approved by the Architectural Committee. No baseball cages or similar recreational facilities shall be permitted without approval of the Architectural Committee.

Section 7.25. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or energy conservation equipment shall be constructed or installed on any Lot unless said equipment is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Architectural Committee. Under no circumstances shall solar panels be installed that will be visible from any road or Common Area in Old Battles Village, Phase One.

Section 7.26. Gas or Oil Tanks, Pools, Swimming Pool Equipment, Air Conditioning Units, Garbage Containers. All swimming pool equipment and housing, air-conditioning units and garbage containers must be screened by walls or fences on all sides so that they are not visible and no such equipment or containers shall be located on the front façade of any building. No oil tanks or bottled gas tanks shall be allowed on any Lot or on the Common Area. Provided, However, up to two bottled propane gas tanks no larger than five (5) gallons in capacity may be kept on a Lot for the purpose of cooking with a gas grill and so long as said propane gas tank is within screened walls or fences on all sides so that said propane gas tank is not visible.

No above-ground pools shall be erected, constructed or installed on any Lot except that above-ground spas or Jacuzzis may be permitted with approval of the Architectural Committee. Any in-ground pool to be constructed on any Lot shall be subjected to the requirements of the Architectural Committee, which include, but are not limited to, the following:

A. Pool screen may not be visible from the road in front of the Lot.

B. All pool enclosures shall be of a color in harmony with the structure. No raw aluminum color screen will be allowed. Screening shall be within the building setbacks.

Section 7.27. Outside Installations. Except as provided in this Declaration , no exterior antennas, aerials, satellite dishes, towers or other apparatus, or support for said apparatus, for the reception or transmission f television, radio or other signals of any kind shall be erected, installed, placed, allowed or maintained upon any portion of Old Battles Village, Phase One, except that:

A. An antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one(1) meter or less in diameter;

B. An antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services and local multipoint distribution services, that is one (1) meter or less in diameter or diagonal measurement; or

C. An antenna that is designed to receive television broadcast signals.

(collectively, the "Permitted Antennas")

The Permitted Antennas are subject to such reasonable Rules and Regulations as to location and screening as may be set forth by the Board of Directors, consistent with applicable law, in order to minimize obtrusiveness as viewed from roads and adjacent property. As long as consistent with applicable law, any Permitted Antenna shall be installed on a post in the ground and screened from view from roads and adjacent property and shall not be allowed to be installed on the roof of or attached to the residence. The Declarant and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish or other apparatus for a master antenna, cable or other communication system for the benefit of all or a portion of Old Battles Village, Phase One, should any master system or systems be utilized by the Association and require such apparatus.

No machinery or equipment shall be placed or operated upon any Lot except such machinery or equipment as is usual in maintenance of a private single-family residence. No roof penetrations, such as vents and pipes, shall be placed on any roof so as to be visible from any road or the Common Area.

Section 7.28. Irrigation. Irrigation systems are required to cover all areas of the Lot and must be installed underground and shall be subject to approval of the Architectural Committee. No sprinkler or irrigation system of any type that draws upon water from creeks, streams, rivers, lakes, ponds, wetlands, canals or other ground or surface waters within Old Battles Village, Phase One shall be installed, constructed or operated within Old Battles Village, Phase One by any Person other than the Association or the Declarant, or to be utilized by any group of Lots, unless prior written approval has been received from the Architectural Committee.

Section 7.29. Storm Precautions. No hurricane or storm shutters shall be permanently installed on any structure on a Lot unless first approved by the Architectural Committee. Hurricane or storm shutters may be installed temporarily, and other storm precautions may be taken to protect structures on a Lot, while the threat of a hurricane or similar storm is imminent; provided, all such shutters and other exterior alterations or additions made as a storm precaution shall be promptly removed once the storm or imminent threat of the storm has passed.

Section 7.30. Window Coverings, Etc. Reflective window coverings are prohibited. No awnings, canopies, shutters, patio cover, building or storage unit of any kind shall be erected, placed, or permanently installed on any Lot unless first approved by the Architectural Committee.

Section 7.31. Mineral Operations Prohibited. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind whatsoever shall be permitted upon any Lot, nor shall oil wells, derricks, tanks, tunnels, mineral excavations or shafts be erected or permitted to remain on any Lot. Provided, However, it is understood that this prohibition does not affect the rights of mineral

owners or owners of any interest in minerals that may have been previously reserved or conveyed to others.

Section 7.32. Insurance Rates. Nothing shall be done or kept on any Lot or in any improvement or the Common Area which will increase the rate of insurance on any property insured by the Association without the approval of the Board of Directors, nor shall anything be done or kept on any Lot which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

Section 7.33. Occupants Bound. All provisions of this Declaration, the By-Laws and of any Architectural Guidelines or use restrictions promulgated pursuant to this Declaration that govern the conduct of the Owners and that provide for sanctions against the Owners shall also apply to all occupants, guest and invitees of any Lot. Every Owner shall cause all occupants of the Lot of the Owner to comply with this Declaration, the By-Laws and the Architectural Guidelines adopted pursuant to this Declaration and shall be responsible for all violations and losses to Old Battles Village, Phase One caused by those occupants, notwithstanding the fact that those occupants of a Lot are fully liable and may be sanctioned for any violation of this Declaration, the By-Laws and Architectural Guidelines adopted pursuant to this Declaration.

Section 7.34. No Discrimination. No action shall at any time be taken by the Declarant, the Association or the Board of Directors which in any manner would discriminate against any Owner of Owners in favor of the other Owners.

Section 7.35. Disclosure. This Declaration and the restrictions, covenants and conditions contained in this Declaration shall apply only to the Lots and Common Areas shown on the recorded Plat and such other real property of Additional Property as the Declarant may submit to this Declaration by Subsequent Amendment as provided for in Article XVI of this Declaration.

Article VIII

Membership and Voting Rights

Section 8.01. The Association. The operation and administration of Old Battles Village, Phase One shall be by the Association of Owners. The Association shall be a nonprofit Alabama corporation incorporated by Articles of Incorporation recorded in the Office of the Judge of Probate of Baldwin County, Alabama. The Association shall be an entity which shall have the capability of bringing suit and being sued with respect to the exercise or nonexercise of the powers of the Association. The Association shall have exclusive authority and power to maintain a class action and to settle a cause of action on behalf of Owners of Old Battles Village, Phase One with reference to the Common Area and the Common Property and with reference to any and all other matters in which all of the Owners have a common interest. The Association shall have all the powers and duties granted to or imposed on the Association under the Articles of Incorporation and By-Laws and under this Declaration as they may be amended from time to time. The Association is specifically authorized to enter into agreements by which the powers and duties of the Association, or some of them, may be exercised or performed by some other Person. The Association shall have the right to grant permits, licenses and easements over the Common Areas for utilities, roads and other purposes reasonable necessary or useful for the proper maintenance or operation of Old Battles Village, Phase One. The Board of Directors shall have the authority and duty to levy and enforce the collection of general and specific Assessments for Common Expenses and is further authorized to provide adequate remedies for failure to pay such Assessments.

Section 8.02. Membership. Every Person or entity who is the record Owner of a fee simple or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from such ownership.

The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the membership of said Owner.

Section 8.03. Voting Rights. Except for the Declarant, no Member shall have any right to vote until the happening of either of the following events, which ever shall first occur:

A. Until the Declarant has completed and sold all of the Lots and any property which may be brought within the jurisdiction of the Association by Subsequent Amendment as provided in this Declaration; or

B. Until the Declarant elects to give up the exclusive right to vote.

During the period of time recited above in this Section 8.03. the Declarant shall be the only Person entitled to vote and the Members of the Board of Directors and Architectural Committee shall be appointed by the Declarant. During the period of time recited above in this Section 8.03., members of the Association other than the Declarant, shall have no vote in the matters of the Association. Thereafter, each Lot shall be entitled to one (1) vote, which vote is not divisible. The vote shall be cast by the Lot Owner in the manner provided for in this Declaration and in the By-Laws.

The Declarant may make such use of Old Battles Village, Phase One, the unsold Lots and of the Common Area and facilities as may facilitate such completion and sale, including, but not limited to, showing of Old Battles Village, Phase One, the Lots and Common Areas and the display of signs.

Only voting Members shall be entitled to cast votes at Association meetings on matters pertaining to the Association, including the election of Members of the Board of Directors, amending this Declaration, the Articles of Incorporation and the By-Laws of the Association, and all other matters which may be brought before the Association membership except as otherwise provided in this Declaration. The right of an Owner to vote may be suspended by the Association as provided in this Declaration.

Section 8.04. Implied Rights. The Association may exercise any other right or privilege given to the Association expressly by this Declaration or the By-Laws, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to the Association or reasonably necessary to effectuate any such right or privilege.

Section 8.05. Self-Help. In addition to any other remedies provided for in this Declaration, the Association or the duly authorized agent of the Association shall have power to enter upon a Lot or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any improvement, thing, or condition which violates this Declaration the By-Laws, the Architectural Guidelines or the use restrictions. Unless an emergency situation exists, the Board of Directors shall give the violating Lot Owner ten (10) days' written notice of the intent of the Association to exercise self-help. All costs of self-help including reasonable attorney's fees actually incurred shall be assessed against the violating Lot Owner and shall be collected as provided for in this Declaration for the Owner or occupant of the Lot.

Section 8.06. Right of Entry. The Association shall have the right, in addition to and not in limitation of the rights the Association may have, to enter into Lots for emergency, security or safety purposes, which right may be exercised by the Board of Directors, all of the officers, agents, employees or managers of the Board of Directors, and all police officers, firefighters, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency

situation, entry shall be during reasonable hours and after reasonable notice to the Owner or occupant of the Lot.

Section 8.07. Contracts. The Association shall not be bound, either directly or indirectly, to any professional management contracts or leases entered into prior to the date upon which the Declarant has completed and sold all the Lots in Old Battles Village, Phase One unless there is a right of termination of any such contract of lease, without cause, which is exercisable without penalty at any time after transfer of control, with not more than ninety (90) days' notice to the other party.

Section 8.08. Assignment. The share of a Member and the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot of said Owner.

Section 8.09. Board of Directors. The affairs of the Association shall be conducted by a Board of Directors which shall consist of such number as shall, from time to time, be determined and fixed by a Majority of the voting rights present at any annual or special meeting of the Members. The Association shall have the right to amend the By-Laws for the purposes of changing the number of Directors.

Section 8.10. By-Laws. The Association and the Members shall be governed by the By-Laws which shall be adopted by the Members.

Section 8.11. Availability of Records. The Association shall make available to Owners, prospective purchasers, Eligible Mortgage Holders of Mortgages on any Lot, current copies of this Declaration, the By-Laws, Architectural Guidelines and other books, records, financial statements and the most recent annual audited or unaudited financial statement of the Association, if such audited or unaudited financial statement is prepared. "Available" shall mean available for inspection upon request during normal business hours or under reasonable circumstances.

Section 8.12. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceedings, if approved by the then Board of Directors) to which said officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment, and any right to indemnification provided for in this Declaration shall not be exclusive of any other rights to which any officer or director or former officer or director may be entitled. The Association shall maintain adequate general liability and officers and directors liability insurance to fund this obligation, if such coverage is reasonably obtainable.

Section 8.13. Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area. The fund shall be maintained out of regular Assessments for Common Expenses.

Article IX
Covenants for Maintenance

Section 9.01. Responsibility for the Association. The Association shall maintain and keep in good repair the Common Property, such maintenance to be funded as provided in this Declaration.

Section 9.02. Responsibility of Owner. Each Owner shall keep all Lots owned by said Owner, and all dwellings and improvements located on said Lot, in a safe, clean and attractive condition and in good order and repair. Such maintenance obligation shall include, without limitation, the following: prompt removal of all litter, trash, refuse and waste; lawn mowing on a regular basis; tree and shrub pruning; watering landscaped areas; keeping building and improvements, exterior lighting and maintenance facilities in good repair and working order; keeping lawn and garden areas alive, free of weeds and attractive, keeping driveways in good repair; complying with all governmental health and police requirements; and repair of exterior damage to improvements, all in a manner and with such frequency as is consistent with good property management. If, in the opinion of the Association, any Owner fails to perform the duties imposed by this Section 9.02. after ten (10) days' written notice from the Association to the Owner to remedy the condition in question, the Association shall have the right, through the agents and employees of the Association, to enter upon the Lot in question and to repair, maintain, repaint and restore the Lot or such improvements and the cost shall be a binding, personal obligation of such Owner when billed by the Association as well as a lien upon the Lot in question. The lien provided in this Section 9.02. shall have the same enforceability and priority as the lien provided for in Article X of this Declaration.

Article X
Covenant for Maintenance Assessments

Section 10.01. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment by the Owners and occupants of Old Battles Village, Phase One and for the improvement and maintenance of the Common Property, including the maintenance of real and personal property, all as may be specifically authorized from time to time by the Board of Directors.

Section 10.02. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a Deed for a Lot from the Declarant, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association: (i) annual Assessments of charges; (ii) special Assessments, such Assessments to be established and collected as provided in this Declaration; and (iii) specific Assessments against any Lot which are established pursuant to the terms of this Declaration, including, but not limited to , reasonable fines as may be imposed in accordance with the terms of this Declaration and the By-Laws. All such Assessments, together with late charges, interest, not to exceed the maximum legal rates, costs and reasonable attorney's fees actually incurred, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made. Each such Assessment, together with late charges, interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Person who is the Owner of such property at the time when the Assessment fell due, and the grantee of said Person shall be jointly and severally liable for such portion as may be due and payable at the time of conveyance. Provided, However, the liability of a grantee for the unpaid Assessments of said grantor shall not apply to any first Mortgage holder taking title through judicial or nonjudicial foreclosure proceedings or deed in lieu of foreclosure. Provided, However, notwithstanding any other provision elsewhere contained in this Declaration, the Declarant shall not be obligated to pay any Assessment, annual or otherwise, on Lots or property in Old Battles Village, Phase One owned by the Declarant unless the Declarant voluntarily elects to pay said Assessment.

Section 10.03. Computation of Assessments. It shall be the duty of the Board of Directors to prepare a budget covering the estimated cost of operating the Association during the coming year, which shall include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board of Directors shall cause the budget and the Assessments to be levied against each Lot for the following year to be delivered to each Member at least thirty (30) days prior to the end of the current fiscal year. The budget and the Assessments shall become effective unless disapproved at the meeting by a vote of at least a Majority of the votes entitled to be cast by the Association membership. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board of Directors fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided in this Declaration, the budget in effective for the then current year shall continue for the succeeding year.

Section 10.04. Special Assessments for Capital Improvements Upon Common Area. In addition to the annual and special Assessments authorized by this Declaration, the Association may levy, in any Assessment year, a special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related to said Common Area, provided that any such Assessment shall have the assent by a Majority vote of the total votes entitled to be cast by Members then entitled to voting rights in accordance with this Declaration and who are voting in person or by proxy at a meeting duly called for this purpose. Provided, However, notwithstanding any other provision elsewhere contained in this Declaration, the Declarant shall not be obligated to pay any Special Assessment on Lots or property in Old Battles Village, Phase One owned by the Declarant unless the Declarant voluntarily elects to pay said Special Assessment.

Section 10.05. Uniform Rate of Assessment. The Assessments provided for in this Declaration shall be fixed at a uniform rate for all Lots.

Section 10.06. Date of Commencement of Annual Assessments: Due Dates. The Assessments provided for in this Declaration shall commence as to all Lots then existing and subject to Assessment under this Declaration on the first day of the month following the conveyance of the first Lot by the Declarant and shall be due and payable in the manner and on a schedule as the Board of Directors may provide. The first annual Assessment shall be adjusted according to the number of months remaining in that fiscal year. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of the issuance of said certificate.

Section 10.07. Lien for Assessments. All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest, costs and reasonable attorney's fees actually incurred, as provided in this Declaration, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot except for (a) liens of ad valorem taxes; and (b) liens for all sums unpaid on a first Mortgage and on any Mortgage to the Declarant duly recorded in the records of the Office of the Judge of Probate of Baldwin County, Alabama and all amounts advanced pursuant to such Mortgages and secured in accordance with the terms of such instruments.

All other Persons acquiring liens or encumbrances on any property subject to this Declaration after this Declaration shall have been recorded in the records of the Office of the Judge of Probate of Baldwin County, Alabama, shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for Assessments, as provided in this Declaration, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 10.08. Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessment which is not paid when due shall be delinquent. Any Assessment delinquent for a period of more than ten (10) days shall incur a late charge and bear interest thereon in an amount and at a rate to be set by the Board of Directors, but in no event greater than the maximum percentage rate as may then be permitted under the laws of the State of Alabama. In the event the Assessment remains unpaid after thirty (30) days, the Association may, as the Board of Directors may determine, bring an action at law or in equity against the Owner personally obligated to pay the same, foreclose the lien against the Lot of the Owner in Old Battles Village, Phase One or seek injunctive relief, and interest, cost and reasonable attorney's fees of any such action shall be added to the amount of such Assessment. Each Owner, by the acceptance of a Deed to a Lot, or as a party to any other type of conveyance, expressly vests in the Association or the agent of the Association the right and power to bring all actions against such Owner personally for the collection of each charge as a debt and to foreclose the aforesaid lien by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such Owner expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association, acting on behalf of the Owners, shall have the power to bid for an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. With the exception of the Declarant, no Owner may waive or otherwise escape liability for the Assessments provided for in this Declaration by nonuse of the Common Area or abandonment of the Lot of said Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent Assessments, then to any unpaid installments of the annual Assessment or special Assessment, which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of the annual Assessment or special Assessments which are the subject matter of suit in the order of their coming due.

Section 10.09. Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair and replacement. The Board of Directors shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association as shown on the capital budget, with respect to both amount and timing by annual Assessments over the period of the budget. The capital contribution required shall be fixed by the Board of Directors and included within the budget and the Assessment as provided for in this Declaration. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

Section 10.10. Subordination of the Lien to Mortgages. The lien of the Assessments provided for in this Declaration shall be subordinate to the lien of any first Mortgage on a Lot. The sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of a Lot pursuant to judicial or nonjudicial foreclosure or any proceeding or deed in lieu thereof of a first Mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments becoming due or from the lien thereof or relieve the prior Owner from any personal liability for any unpaid Assessments occurring prior to said sale or transfer. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectible from all of the Lots, including such acquirer, or the heirs, successors and assigns of said acquirer.

Section 10.11. Capitalization of the Association. Upon acquisition of record title to a Lot from the Declarant, each Owner shall contribute Two Hundred Dollars (\$200.00) to the working capital fund of the Association. Any amounts paid into this fund should not be considered as advanced payments or

regular Assessments. The Declarant shall not be obligated to contribute to the working capital fund of the Association as required of Lot Purchasers by this Section 10.11.

Section 10.12. No Assessment on the Declarant. The Declarant shall not be obligated to pay any Assessment, annual or otherwise, on any Lot owned by the Declarant.

Article XI
Insurance and Casualty Loss

Section 11.01. Association Insurance. The Board of Directors, or the duly authorized agent of the Board of Directors, shall have the authority to and shall obtain blanket all-risk hazard insurance, if reasonable available, for all insurable improvements on the Common Area. If blanket all-risk coverage is not reasonably available, then, at a minimum, an insurance policy providing fire and extended coverage for all insurable improvements on the Common Area shall be obtained. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

The Board of Directors shall also obtain a public liability policy covering the Common Area, the Association, the Members for premises liability, blanket contractual liability and products/completed operations liability. The public liability policy shall have at least Three Hundred Thousand Dollars (\$300,000.00) combined single limit for bodily injury and property damage liability claims. The public liability policy may contain a reasonable deductible.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the benefit of the Owners. Such insurance shall be governed by the provisions hereinafter set forth:

A. All policies shall be written with a company licensed to do business in Alabama and holding a rating of "A" or better in the Financial Category as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

B. All policies on the Common Area shall be for the benefit of the Owners and their Mortgagees as their interests may appear.

C. Exclusive authority to adjust losses under policies in force on the property obtained by the Association shall be vested in the Board of Directors. Provided, However, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

D. In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants or their Mortgagees.

E. The Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

1. A waiver of subrogation by the insurer as to any claims against the Board of Directors, the manager, the Owners and their respective tenants, servants, agents and guests; and

2. That no policy may be canceled or substantially modified without at least ten (10) days' prior written notice to the Association.

In addition to the other insurance required by this Section 11.01, the Board of Directors shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent necessary, and, if reasonably available, a fidelity bond or bonds on directors, officers, employees and other Persons handling or responsible for the funds of the Association.

This Declaration does not obligate the Association to purchase casualty insurance to cover Lots nor does it obligate the Association to provide liability insurance to cover Owners in their individual capacities.

Each Owner may obtain additional insurance at the expense of said Owner. Provided, However, that no Owner shall be entitled to exercise the right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all the Owners and their Mortgagees, may realize under any insurance policy which the Board of Directors may have in force on Old Battles Village, Phase One at any particular time.

Premiums for all insurance obtained by the Association shall be a Common Expense of the Association. The cost of insurance coverage obtained by the Association shall be included in the annual or special Assessment as provided in this Declaration. The policies may contain a reasonable deductible.

Section 11.02. Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry property and liability insurance on the Lot of said Owner and improvement on said Lot with similar coverages as provided for in Section 11.01 of this Declaration. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of structures located on the Lot of said Owner, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the Owner determines not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris and return the Lot to substantially the natural state in which the Lot existed prior to the beginning of construction. The Architectural Committee may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Lot and the standards for returning the Lot to natural state of the Lot in the event the Owner decides not to rebuild or reconstruct.

Section 11.03. Disbursement of Proceeds. Proceeds of insurance policies maintained by the Association shall be disbursed as follows:

A. If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Property or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners and the Mortgagee(s), as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Lot and may be enforce by such Mortgagee.

B. If it is determined, as provided for in this Article XI, that the damage or destruction to the Common Property for which the proceeds are paid shall not be repaired or

reconstructed, such proceeds shall be disbursed in the manner provided for excess proceeds in Section 11.03.A. of this Declaration.

Section 11.04. Damage or Destruction

A. Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Property covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed portion of the Common Property. Repair or reconstruction, as used in this Article XI, means repairing or restoring the Common Property to substantially the same condition in which the Common Property existed prior to the fire or other casualty.

B. Any damage or destruction to the Common Property shall be repaired or reconstructed unless the voting Members representing at least seventy-five percent (75%) of the total votes of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If, for any reason, either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; Provided, However, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether the Common Property damage or destruction shall be repaired or reconstructed.

C. In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Common Property shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event, the Common Property shall be restored to the natural state of said Lot and maintained as an undeveloped portion of the Common Property by the Association in a neat and attractive condition.

Section 11.05. Repair and Reconstruction. If the damage or destruction to the Common Property for which the insurance proceeds are paid by the Association is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall use general funds or seek a Special Assessment as permitted by this Declaration. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

Article XII
Condemnation

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board of Directors acting on the written direction of the Members of the Association entitled to vote representing at least sixty-seven percent of the Lot Owners and of the Declarant, so long as the Declarant retains Declarant Control as provided for in this Declaration or so long as the Declarant may subject Additional Property to this Declaration in accordance with Article XV) by any authority having the power of condemnation or eminent domain, the Association shall represent the Owners. Provided, However, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as Trustee for all Owners. Section 11.03. and Section 11.04. of this Declaration regarding disbursement of proceeds and damage or destruction shall govern replacement or restoration and the actions to be taken in the event that improvements are not restored and replaced. Provided, However, anything else contained in this Article XII to the contrary, any use of the Common Area by the Declarant or any dedication or transfer of all or any part of the Common Area to any public

agency, authority or utility as permitted by this Declaration shall not be deemed a taking as provided for in this Article XII.

Article XIII
Amendment

This Declaration may be amended unilaterally at any time and from time to time by the Declarant without any approval from any Owner or the Association. Provided, However, and such amendment shall not adversely affect the title to any Lot of an Owner unless any such Owner shall consent in writing. Further, so long as the Declarant owns any Lot or any property which may be subjected to the control of the Association pursuant to this Declaration, this Declaration may not be amended by the Owners unless approved in writing by the Declarant. Provided, Further, any such amendment shall not materially adversely affect the substantive rights of any Owner under this Declaration, nor shall said amendment adversely affect title to any Lot without the consent of the affected Owner. Amendments to this Declaration shall become effective upon recordation in the Office of the Judge of Probate of Baldwin County, Alabama.

Article XIV
Mortgagee Rights

The following provisions are for the benefit of Eligible Mortgage Holders in Summer Lake, Phase One. The provision of this Article XIV apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained in this Declaration.

Section 14.01. Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, guarantor and the Lot number, therefore becoming an Eligible Mortgage Holder), will be entitled to timely written notice of:

A. Any condemnation loss or any casualty loss which affects a material portion of Old Battles Village, Phase One or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;

B. Any delinquency in the payment of Assessments or charges owed by an Owner of a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days. Provided, However, notwithstanding this provision, any holder of a first Mortgage upon request is entitled to written notice from the Association of any default in the performance by an owner of a Lot of any obligation under this Declaration or the By-Laws of the Association which is not cured within sixty (60) days;

C. Any lapse, cancellation or material modification of any insurance policy by the Association; or

D. Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders.

Section 14.02. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

Section 14.03. Notice of the Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Lot of an Owner.

Section 14.04. Applicability of this Article. Nothing contained in this Article XIV shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration, the By-Laws, or Alabama law for any of the acts set out in this Article XIV.

Section 14.05. Failure of Mortgagee to Respond. Any Mortgagee (or insurer or guarantor of a Mortgage) who receives a written request from the Board of Directors to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the request of the Association.

Article XV **Rights of the Declarant**

Section 15.01. Transfer of Rights. Any or all of the special rights and obligations of the Declarant may be transferred by the Declarant to other Persons or entities, pertaining to any one (1) Lot or multiple Lots or any part or all of Old Battles Village, Phase One, including, but not limited to, the exemption of the Declarant as to the Lot or Lots so transferred to pay Assessments as provided for in this Declaration. Any transfer of rights and obligations by the Declarant must be by a written instrument signed by the Declarant and duly recorded in the Office of the Judge of Probate of Baldwin County, Alabama.

Section 15.02. Legal Description Modifications. The Declarant has the right to change or modify the legal description of any real property designated as the Common Area or as a parcel or parcels or as a Lot or Lots located within the boundaries of Old Battles Village, Phase One without obtaining any approval from the Association or any Owner or other party, solely by filing an affidavit executed by the project surveyor describing the change made in the legal description of a Common Area, parcel or Lot.

Section 15.03. Rights of Approval. So long as the Declarant owns any property within Summer Lake, Phase One or any property which may be subjected to the jurisdiction of the Association by Subsequent Amendment as provided for in the Declaration, this Section 15.03, may not be amended without the express written consent of the Declarant.

In addition to any other rights granted or reserved to the Declarant by this Declaration, the Declarant shall have the right to approve all actions of the Board of Directors and the Architectural Committee as those actions may affect the rights of the Declarant to improve, construct, market and sell Old Battles Village, Phase One and any Additional Property. This right shall be exercisable only by the Declarant and the successors and assigns of the Declarant who specifically take this right in a recorded instrument. The right shall be exercised as follows:

No action authorized by the Board of Directors or Architectural Committee shall become effective nor shall any action, policy or program be implemented until and unless:

A. The Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Board of Directors or the Architectural Committee by certified mail, return receipt requested, or by personal delivery at the address the Declarant has registered with the Secretary of the Association; and

B. The Declarant shall be given the opportunity at any such meeting to join in or to have a representative or agent join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board of Directors or the Architectural Committee. The Declarant and representatives or agents of the Declarant shall make the concerns, thoughts and suggestions of the Declarant know to the Members of the Architectural Committee or the Association. Said right must be exercised by the Declarant, representatives, or agents of the Declarant within ten (10) days after the meeting held pursuant to the terms and provisions of this Declaration.

Article XVI

Annexation of Additional Property

Section 16.01. Annexation of Additional Property by the Declarant. So long as the Declarant retains Declarant Control as provided for in this Declaration, the Declarant shall have the unilateral right, privilege and option, from time to time and at any time to subject to the provisions of this Declaration and the jurisdiction of the Association such additional real property, Lots and/or Common Areas (regardless of whether or not said real property, Lots and/or Common Areas are contiguous to Old Battles Village, Phase One and regardless of whether or not said real property, Lots and/or Common Areas are designated as single-family residential uses or commercial uses) as the Declarant may determine, in the sole discretion of the Declarant, ("Additional Property"), whether in fee simple or leasehold, by filing in the Office of the Judge of Probate of Baldwin County, Alabama, one or more amendments or Subsequent Amendments annexing such Additional Property. Such amendments or Subsequent Amendments to this Declaration shall not require the approval or vote of Members or Mortgagees or other Persons. Any such annexation or Additional Property shall be effective upon the filing for record of said amendments or Subsequent Amendments unless otherwise provided in said amendments or Subsequent Amendments.

The Declarant shall have the unilateral right, privilege and option to transfer to any other Person the said right, privilege and option to annex Additional Property which is reserved to the Declarant in this Declaration, provided that such transferee or assignee shall be the developer of at least a portion of the Additional Property and that such transfer is memorialized in a written, recorded instrument.

The rights reserved to the Declarant to subject Additional Property to this Declaration shall not be implied or construed so as to impose any obligation upon the Declarant to subject any part of all or such Additional Property to this Declaration or to the jurisdiction of the Association nor any obligation, if subjected, to construct Dwellings or Improvements of the same type, design, or materials. If all or any part of such Additional Property is not subjected to this Declaration, the reserved right of the Declarant shall not impose any obligation on the Declarant to impose any covenants and restrictions similar to those contained in this Declaration upon such Additional Property, nor shall such rights in any manner limit or restrict the use to which such Additional Property shall be put by the Declarant or any subsequent owner of said Additional Property, whether such uses are consistent with the covenants and restrictions imposed by this Declaration or not. The Declarant may use or authorize the use of any property which is not subjected to this Declaration for any use the Declarant deems appropriate including, but not limited to, commercial uses.

Section 16.02. Annexation of Additional Property by the Association. After releases of Declarant Control by the Declarant as provided for in this Declaration, upon approval in writing of the Association, pursuant to authorization of two-thirds of the vote of all of the Members of the Association voting as provided for in this Declaration, the owner of any property who desires to add such property to the scheme of this Declaration and subject such property to the jurisdiction of the Association may file of record a Subsequent Amendment as described in this Declaration. Anything else contained in this Declaration to the contrary, the Association may not annex Additional Property without the approval of the Declarant so long as the Declarant retains Declarant Control as provided for in this Declaration.

Section 16.03. Modification. Any Subsequent Amendment may contain such complimentary additions and modifications of this Declaration as may be necessary or convenient to reflect and adapt to any difference in character of the Additional Property. In no event, however, shall such Subsequent Amendment revoke, modify or add to the covenants established by this Declaration so as to affect the Existing Property.

Section 16.04. Mergers, Combinations or Consolidations. Upon merger, combination or consolidation of the Association with another association, the property, rights and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the property, rights and obligations of another association may, by operation of law, be added to the property of the Association as a surviving corporation pursuant to a merger, combination or consolidation. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing property, together with the covenants and restrictions established upon any other property as one scheme. No such merger, combination or consolidation, however, shall effect any revocation or change of or addition to the covenants and restrictions established by this Declaration within the Existing Property, except as provided for in this Declaration.

Section 16.05. Amendment. This Article XVI shall not be amended without the written consent of the Declarant, so long as the Declarant retains Declarant Control or has the right to add Additional Property.

Article XVII **Miscellaneous**

Section 17.01. Unrestrictive Right of Transfer. The right of a Lot Owner to sell, transfer or otherwise convey the Lot of said Owner shall not be subject to an y right of first refusal or a similar restriction.

Section 17.02. No Restrictions on Mortgaging. Anything construed in this Declaration to the contrary, there shall be no restrictions on the right of a Lot Owner to mortgage the Lot of said Owner.

Section 17.03. Acceptance of Grantee. The grantee of any Lot subject to the coverage of this Declaration, by acceptance of the Deed or other instrument conveying an interest in or title to, or the execution of a contract or the purchase of said Lot whether from the Declarant or a subsequent Owner of such Lot, shall accept such Deed or other contract upon and subject to each and all of the terms and conditions set out in this Declaration.

Section 17.04. Indemnity for Damages. Each and every Lot Owner and future Lot Owner, in accepting a Deed or contract for any Lot subject to this Declaration, agrees to indemnify the Declarant for any damage caused by such Owner or the contractor, agent or employees of such Owner, to private access areas, streets, roads, gutters, walkways or other aspects of private or public ways, including all surfacing on said private or public ways or to water, drainage or storm sewer lines or sanitary sewer lines owned by the Declarant, or for which the Declarant has responsibility, at the time of such damage.

Section 17.05. Severability. If any Article, part, clause, provision, or condition of this Declaration is held to be void, invalid, or inoperative, such voidness, invalidity, or inoperativeness shall not affect any other Article, clause, provision or condition of this Declaration; but the remainder of this Declaration shall be effective as though such Article, clause, provision or condition had not been contained.

Section 17.06. Captions, Gender and Grammar. The captions preceding the various sections, paragraphs and subparagraphs of this Declaration are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provision in this Declaration. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean the feminine or to the neuter.

Section 17.07. Effective Violation on Mortgage Lien. No violation of any of the terms and conditions of this Declaration shall defeat or render invalid the lien of any Mortgage made or reserved in good faith and for value upon any portion of Old Battles Village, Phase One. Provided, However, that any Mortgagee in actual possession, or any purchase at any Mortgagee's judicial or nonjudicial foreclosure sale shall be bound by and subject to this Declaration as fully as any other Owner of any portion of Old Battles Village, Phase One.

Section 17.08. No Reverter. No provision of this Declaration is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

Section 17.09. Duration. The provisions of this Declaration shall run with and bind Old Battles Village, Phase One and shall be and remain in effect perpetually to the extent permitted by Alabama law. Provided, However, should any provision of Alabama law limit the period during which covenants restricting land to certain usage may run, any provisions of this Declaration affected by said Alabama law shall run with and bind Old Battles Village, Phase One so long as permitted by such law; and such provisions shall be automatically extended for successive periods of ten (10) years or such shorter period as may be allowed by law, unless such extension is disapproved at a meeting duly called for such purpose by a vote of at least a Majority of all votes entitled to be cast by Members of the Association and, so long as the Declarant owns any Lots or property or any property which may be subjected to the terms of this Declaration by Subsequent Amendment, the consent of the Declarant. Such meeting must be recorded within the year immediately preceding the beginning of a renewal period. A purchaser or grantee of any interest in any Lot subject to this Declaration, by acceptance or a deed or other conveyance or said Lot agrees that such provisions of this Declaration may be extended or renewed as provide in this Section 17.09.

Section 17.10. Enforcement. In the event of a violation or breach of any of this Declaration, the By-Laws or the Architectural Guidelines by any Owner, or employee, agent or lessee of such Owner, the Owner(s) of Lot(s), the Association, the Declarant (so long as the Declarant is a Member of the Association), their successors and assigns, shall have the right to proceed at law or in equity to compel compliance with the terms and conditions of this Declaration, to prevent the violation or breach of this Declaration, the By-Laws or the Architectural Guidelines of the Association or the Rules and Regulations promulgated by the Architectural Committee, to sue for and recover damages or other dues, or take all such courses of action at the same time, or such other legal remedy the Association may deem appropriate. No delay or failure on the part of an aggrieved party to initiate an available remedy set forth in this Declaration shall be held to be a waiver of that party or any estoppels of that party or of any other party to assert any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation.

Damages shall not be deemed adequate compensation for any breach or violation of any provision of this Declaration, but any Person or entity entitled to enforce any provision of this Declaration shall be entitled specifically to relief by way of injunction as well as any other available relief either at law or in equity.

Any party to a proceeding who succeeds in enforcing this Declaration, the By-Laws or the Architectural Guidelines of the Association or the Rules and Regulations promulgated by the Architectural Committee enjoining the violation of this Declaration against a Lot Owner may be awarded a reasonable attorney's fee against such Lot Owner.

Section 17.11. Certificate of Violation. In addition to any other rights or remedies available to the Association under this Declaration or at law or equity, the Association shall have the right to file in the records of Baldwin County, Alabama, a Certificate or Notice of Violation of this Declaration (which violation shall include, without limitation, nonpayment of the annual charges and/or failure to comply with Architectural Guidelines) upon failure of a Lot Owner to correct a violation of this Declaration within ten (10) days after written notice of the violation has been given by the Association to the Lot Owner.

Section 17.12. Interpretation by the Association. The Association shall have the right to construe and interpret the provision of this Declaration, and in absence of an adjudication by a court of competent jurisdiction to the contrary, the construction or interpretation by the Association shall be final and binding as to all Persons or Property benefitted or bound by the provisions of this Declaration.

Section 17.13. Estoppel Certificate. Upon the request of any Member, the Board of Directors or the designee of the Board of Directors shall furnish a written certificate signed by an officer or agent of the Association regarding unpaid Assessments levied against that Member or the Lot of that Member in violation of this Declaration, the By-laws, use restrictions, Architectural Guidelines by any Owner or occupant of Old Battles Village, Phase One. Such certificate shall bind the Association with respect to the foregoing matters. The Association may require the advance payment of a reasonable processing fee.

Section 17.14. Assignment by the Association. The Association shall be empowered to assign the rights of the Association to any successor nonprofit membership corporation ("Successor Corporation") and, upon such assignment the Successor Corporation shall have all the rights and be subject to all the duties of the Association.

Section 17.15. No Waiver. The failure of any party entitled to enforce this Declaration shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such a violation or breach occurring prior or subsequent thereto.

Section 17.16. Deviation. The Board of Directors or the designee of the Board of Directors may, in the exercise of the reasonable discretion of the Board of Directors, permit deviations from the restrictions contained in this Declaration, the By-Laws, or the Architectural Guidelines.

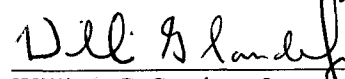
Section 17.17. Effective Date. The Effective Date of this Declaration shall be the date that this Declaration is recorded in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed on the date set opposite the signature of the Declarant.

Declarant:

Phoenix Real Estate Fund I, LLC,
a Delaware Limited Liability Company

By:




William G. Sanders, Jr.
Its: Managing Director

STATE OF ALABAMA:

COUNTY OF JEFFERSON:

I, the undersigned authority, a Notary Public in and for the said State and County, hereby certify that William G. Sanders, Jr., whose is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she, as such officer and with full authority, executed the same voluntarily for and on behalf of said Corporation.

Given under my hand and seal on this 4th day of May, 2011.



Notary Public
My Commission Expires: 7/21/2012