

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
WYNLAKES



**AMENDED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
WYNLAKES**

ARTICLES

- I. DEFINITIONS
- II. PROPERTY RIGHTS
- III. MEMBERSHIP AND VOTING RIGHTS
- IV. MAINTENANCE
- V. INSURANCE
- VI. DESIGN REVIEW PROCEDURE
- VII. GENERAL COVENANTS AND RESTRICTIONS
- VIII. WATERFRONT AREAS AND WATERWAYS
- IX. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION
- X. ASSESSMENTS
- XI. NO PARTITION
- XII. ANNEXATION OF ADDITIONAL PROPERTY
- XIII. CONDEMNATION
- XIV. MORTGAGEE RIGHTS
- XV. GENERAL PROVISIONS
- XVI. PARTY WALLS
- XVII. DECLARANT'S RIGHTS

**AMENDED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
WYNLAKES**

TABLE OF CONTENTS

ARTICLE I - DEFINITIONS	I-8
1.01 "Area of Common Responsibility"	I-8
1.02 "Association"	I-8
1.03 "Assessment"	I-8
1.04 "Base Assessment"	I-8
1.05 "Board of Directors" or Board	I-8
1.06 "By-Laws"	I-8
1.07 "Common Area"	I-9
1.08 "Common Expenses"	I-9
1.09 "Community Wide Standard"	I-9
1.10 "Declarant"	I-9
1.11 "District"	I-9
1.12 "Land Segment"	I-9
1.13 "Land Segment Owner"	I-9
1.14 "Master Land Use Plan"	I-9
1.15 "Member"	I-10
1.16 "Neighborhood"	I-10
1.17 "Neighborhood Assessments"	I-10
1.18 "Owner"	I-10
1.19 "Parcel"	I-10
1.20 "Person"	I-10
1.21 "Properties"	I-10
1.22 "Residential Association"	I-10
1.23 "Special Assessment"	I-10
1.24 "Subsequent Amendment"	I-11
1.25 "Unit"	I-11
1.26 "Voting Member"	I-11
ARTICLE II - PROPERTY RIGHTS	II-11
2.01 Owners Easement of Enjoyment	II-11
2.02 Delegation of Use	II-11
2.03 User Fees-Suspension of Rights	II-11
2.04 Dedication of Common Area to Governmental Entity	II-11
2.05 Wynlakes Golf and Country Club, Inc.	II-11
ARTICLE III - MEMBERSHIP AND VOTING RIGHTS	III-12
3.01 Membership	III-12
3.02 Voting Rights	III-12
ARTICLE IV - MAINTENANCE	IV-13
4.01 Association's Responsibility	IV-13
4.02 Owner's Responsibility	IV-14

ARTICLE V - INSURANCE	V-14
5.01 Association Insurance.....	V-14
5.02 Individual Insurance.....	V-16
5.03 Disbursement of Proceeds	V-16
5.04 Damage and Destruction.....	V-17
5.05 Repair and Reconstruction.....	V-17
ARTICLE VI - DESIGN REVIEW PROCEDURE.....	VI-17
6.01 Design Review Board.....	VI-18
6.02 Modifications Committee.....	VI-18
6.03 Liability.....	VI-18
6.04 Amendment.....	VI-18
ARTICLE VII - GENERAL COVENANTS AND RESTRICTIONS.....	VII-19
7.01 Use of Property.....	VII-19
7.02 Subdivision or Partition.....	VII-19
7.03 Recreational Vehicles.....	VII-19
7.04 Commercial Trucks.....	VII-19
7.05 Remedies For Vehicle and Recreational Equipment Violations.....	VII-19
7.06 Vehicle Maintenance and Repair.....	VII-19
7.07 Animals.....	VII-19
7.08 Signs.....	VII-20
7.09 Temporary Structures.....	VII-20
7.10 Accumulation of Refuse	VII-20
7.11 Pipes.....	VII-20
7.12 Mining.....	VII-20
7.13 Maintenance of Hedges and Plants.....	VII-20
7.14 Business Activity.....	VII-20
7.15 Wall and Window Air Conditioning Units.....	VII-20
7.16 Solar Collectors	VII-19
7.17 Garbage Containers, Oil & Gas Tanks, Swimming Pool Equipment.....	VII-21
7.18 Model House, Real Estate Office.....	VII-21
7.19 Clothes Lines.....	VII-21
7.20 Machinery.....	VII-21
7.21 Use Authorized By Design Review Board.....	VII-21
7.22 Mail Boxes.....	VII-21
7.23 Transmission Equipment.....	VII-21
7.24 Prohibited Uses.....	VII-21
7.25 Nuisances.....	VII-21
7.26 Walls or Fences.....	VII-21
7.27 Underground Utilities.....	VII-22
7.28 Connection Point For Utilities Service.....	VII-22
7.29 Parking.....	VII-22
7.30 Chimney Flues.....	VII-22
7.31 Approved Builders List.....	VII-22
7.32 Carports and Garages.....	VII-22
ARTICLE VIII - WATERFRONT AREAS AND WATERWAYS.....	VIII-22
8.01 Restrictions on Lakes and Lakefront Areas.....	VIII-22
ARTICLE IX - RIGHTS AND OBLIGATIONS OF THE ASSOCIATION.....	IX-23

9.01 Common Area and Rights-of-Way.....	IX-23
9.02 Gatehouse.....	IX-23
9.03 Personal Property and Real Property for Common Use.....	IX-23
9.04 Rules and Regulations.....	IX-23
9.05 Implied Rights.....	IX-24
ARTICLE X - ASSESSMENTS.....	X-24
10.01 Creation of Assessments.....	X-24
10.02 Computation of Assessment.....	X-25
10.03 Special Assessments.....	X-25
10.04 Lien for Assessments.....	X-25
10.05 Capital Budget and Contribution.....	X-26
10.06 Date of Commencement of Annual Assessments.....	X-26
10.07 Subordination of the Lien to First Mortgages.....	X-26
10.08 Capitalization of Association.....	X-27
10.09 Effect on Declarant.....	X-27
ARTICLE XI - NO PARTITION.....	XI-27
ARTICLE XII - ANNEXATION OF ADDITIONAL PROPERTY.....	XII-27
12.01 Annexation Without Approval of Membership.....	XII-27
12.02 Annexation with Approval of Membership.....	XII-28
12.03 Acquisition of Additional Common Area.....	XII-28
12.04 Amendment.....	XII-28
12.05 Adjacent Land.....	XII-27
ARTICLE XIII - CONDEMNATION.....	XIII-28
ARTICLE XIV - MORTGAGEE RIGHTS.....	XIV-29
14.01 Notice of Action.....	XIV-29
14.02 Special FHLMC Provision.....	XIV-29
14.03 FHA/VA Mortgagee Approval.....	XIV-30
ARTICLE XV - GENERAL PROVISIONS.....	XV-30
15.01 Term.....	XV-30
15.02 Amendment.....	XV-30
15.03 Indemnification of Officers and Directors.....	XV-31
15.04 Easements of Encroachment.....	XV-32
15.05 Easements for Utility and Irrigation Easements.....	XV-32
15.06 Easement for Governmental, Health, Sanitation and Emergency Services.....	XV-32
15.07 Easement for Golf Ball Retrieval.....	XV-32
15.08 Severability.....	XV-32
15.09 Rights of Entry.....	XV-32
15.10 Perpetuities.....	XV-32
15.11 Litigation.....	XV-33
15.12 Construction Period.....	XV-33
15.13 Indemnity for Damages.....	XV-33
15.14 Indemnification of Declarant.....	XV-33
ARTICLE XVI - PARTY WALLS.....	XVI-33
16.01 General Rules of Law to Apply.....	XVI-33
16.02 Sharing of Repair and Maintenance.....	XVI-33

16.03 Destruction by Fire or Other Casualty.....	XVI-33
16.04 Weatherproofing.....	XVI-33
16.05 Right to Contribution Runs With Land.....	XVI-34
16.06 Arbitration.....	XVI-34
ARTICLE XVII - DECLARANT'S RIGHTS.....	XVII-34
17.01 Transfer of Rights.....	XVII-34
17.02 Legal Description Modifications.....	XVII-34
17.03 Right of Approval.....	XVII-34
17.04 Construction and Sale.....	XVII-35
Exhibit A.....	XVII-35
Exhibit B.....	XVII-35
All Added Resolutions.....	Beyond Page ..XVII-35

**AMENDED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
WYNLAKES**

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, James W. Wilson, Jr., (herein referred to as "Declarant") executed on February 10, 1986, a Declaration of Covenants, Conditions and Restrictions- Wynlakes, (hereinafter referred to as the Declaration) which is recorded in Real Property Book 775 at page 237 in the Office of the Judge of Probate of Montgomery County and which is amended by Amendments Nos. 1, 2 and 3 recorded in Real Property Books 776 at page 335, 778 at page 271 and 792 at page 660, respectively, in the aforesaid Judge of Probate's office;

WHEREAS, James W. Wilson, Jr., as Declarant of said Declaration and as an Owner desires to amend and restate the Declaration;

WHEREAS, the Owners, other than James W. Wilson, Jr., also desire that James W. Wilson, Jr. amend and restate the Declaration so as to supercede the original Declaration and all amendments thereto.

NOW, THEREFORE, the undersigned does hereby proclaim, publish and declare that the original "Declaration of Covenants, Conditions and Restrictions- Wynlakes" and all amendments thereto, recorded as aforesaid, are hereby superceded by the amended and restated Declaration which reads as follows:

This Amended Declaration of Covenants, Conditions and Restrictions is made this 3rd day of September, 1986, by James W. Wilson, Jr., hereinafter called "Declarant".

INTRODUCTION

WHEREAS, Declarant is the owner of real property described in Exhibit "A" (hereinafter referred to as the "Total Property") attached hereto and incorporated herein by reference and plans by phases to develop same as a Planned Unit Development (PUD) to be known as Wynlakes;

WHEREAS, Declarant intends to develop portions of the "Total Property" as a residential

community and by virtue of this Declaration is on this date committing portions of the "Total Property" to this Declaration and providing a method whereby other portions of the "Total Property", may become part of the "Properties" subject to this Declaration by a recordation of a supplement to this Declaration;

WHEREAS, Declarant has caused the Wynlakes Residential Homeowners Association, Inc., to be formed as a Master Association for the purpose of providing a non-profit corporation to serve as representative of Declarant and Owners of any part of Wynlakes which is hereafter made subject to this Declaration, to enforce these covenants and to coordinate various neighborhood and condominium associations which may be formed in the future within the boundaries of the aforesaid described property.

NOW, THEREFORE, Declarant hereby declares that all the property described in Exhibit "B" (hereinafter referred to as "Properties") attached hereto and incorporated herein by reference shall be held, sold and conveyed or encumbered, rented, used, occupied and improved, subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and the desirability of, and which shall run with, the real property and be binding on all parties having any rights, title of interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. THE RESTRICTIONS CONTAINED HEREIN SHALL NOT APPLY TO OR EFFECT ANY REAL PROPERTY DESCRIBED IN EXHIBIT "A" OR OTHERWISE, WHICH IS NOT SUBJECTED SPECIFICALLY BY WRITTEN INSTRUMENT TO THIS DECLARATION.

ARTICLE I DEFINITIONS

1.01 "Area of Common Responsibility" shall mean and refer to the Common Area together with those areas, if any, which by contract with any Residential Association, any commercial establishment or association, any golf, sports or country club, any apartment building owner or cooperative within the Total Property become the responsibility of the Association or a governmental entity. In addition, the office of any property manager employed by contracting with the Association and located on the Properties shall be part of the Area of Common Responsibility.

1.02 "Association" shall mean and refer to Wynlakes Residential Homeowners Association, Inc., an Alabama, non-profit corporation, its successors and assigns.

1.03 "Assessment" shall mean any Base Assessment, Special Assessment or other charge as described in Article X.

1.04 "Base Assessment" shall mean and refer to assessments levied to fund expenses applicable to all Members of the Association.

1.05 "Board of Directors" or "Board" shall be the governing body of the Association having its normal meaning under Alabama law.

1.06 "By-Laws" shall mean the By-Laws of the Association.

1.07 "Common Area" shall mean all real property (including the improvements thereto) now owned, hereinafter owned or held by the Association for the common use and enjoyment of

the Owners. The Common Area owned by the Association at the time of this Declaration is described as follows:

Parcel 1A (Blvd. Median), Parcel 1B (Blvd. Median),
Parcel 1C (Blvd. Median), Parcel 1D (Blvd. Median),
Parcel 1E (Blvd. Median), Parcel 1F (Blvd. Median),
Parcel 1G (Blvd. Median), Parcel 1H (Blvd. Median),
[Parcel 1IA \(Blvd. Median\), Parcel 1IB \(Blvd. Median\),](#)
Parcel 1J (Blvd. Median), Parcel 1K (Blvd. Median),
Parcel 2 (Lake No. 1 and Common Area), Parcel 3 (Common Area),
and Parcel 4 (Common Area). Exact descriptions of the aforementioned Parcels are set out herein on [pages B11 through B15 of Exhibit "B"](#) attached hereto and incorporated herein by reference.

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

1.09 "Community Wide Standard" shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard may be more specifically determined and set forth by the Design Review Board, Modifications Committee or the Board of Directors.

1.10 "Declarant" shall mean and refer to James W. Wilson, Jr., his heirs, successors and assigns.

1.11 "District" shall mean and refer to separately designated residential areas representing a political unit for the purpose of electing members of the Board of Directors. Districts shall not be required to be equal in population, and a District may be comprised of non-contiguous property. The Declarant may at any time, and from time to time until the termination of Class "B" membership as provided in §3.02 of this Declaration, establish and alter or reestablish the boundaries of Districts. After termination of the Class "B" membership, the Board of Directors, by a two-thirds (2/3) vote, may modify and amend the District boundaries. Such change in District boundaries shall not constitute an amendment to this Declaration and shall not require the formality thereof. In the absence of specific designation of separate District status all Properties made subject to this Declaration shall be considered a part of the same District.

1.12 "Land Segment" shall mean and refer to a Parcel and other property subject to this Declaration which is held for the purpose of development as a Unit.

1.13 "Land Segment Owner" shall mean and refer to one or more persons or entities, other than the Declarant, who hold record title to any Land Segment and who shall be deemed to own as many Units as shown on the Master Land Use Plan, or if Platted, as shown on the plat map.

1.14 "Master Land Use Plan" shall mean and refer to the plan for the Wynlakes PUD approved by the City of Montgomery, Alabama.

1.15 "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

1.16 "Neighborhood" shall mean and refer to a geographical area or areas, usually comprised of one housing type of similar density representing a political unit for the purpose of electing Voting Members. A Neighborhood may, but is not required to be comprised of the Units in a Residential Association. Neighborhoods shall not be required to be equal in population and a Neighborhood may be composed of non-contiguous property. The Declarant may, at any time, and from time to time until the termination of the Class "B", membership as provided in Article III of this Declaration, establish and alter or reestablish the boundaries of a Neighborhood. After the termination of the Class "B" membership, the Board of Directors, by a two-thirds (2/3) vote, may modify such Neighborhood boundaries. Such amendment shall not constitute an amendment to this Declaration and shall not require the formality thereof. In the absence of specific designation of separate Neighborhood status, all Properties made subject to this Declaration shall be considered part of the same Neighborhood.

1.17 "Neighborhood Assessments" shall mean assessments for Common Expenses provided for herein or by any Subsequent Amendment which shall be used for the purposes of promoting the recreation, welfare, common benefit, and enjoyment of the Owners and occupants of the Units against which the specific Neighborhood Assessment is levied and for maintaining the Properties within a given Neighborhood, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized below.

The Neighborhood Assessments shall be levied equally against Owners of Units in a Neighborhood for such purposes as are authorized by this Declaration or by the Board of Directors from time to time, provided that in the event of improvements or assessments, for exterior maintenance of structures, or insurance on structures, or replacement reserves which pertain in particular structures (pursuant to an amendment to this Declaration), such assessments (that are for the use and benefit of particular units) shall be levied on a pro rata basis among benefited Owners.

1.18 "Owner" shall mean and refer to one or more persons or entities who hold the record title to any Unit which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract of sale, the purchaser (rather than the fee owner) will be considered the Owner. Owner shall also be deemed to include a Land Segment Owner and the Declarant.

1.19 "Parcel" shall mean any portions of the Properties designated as "Parcels" by alphabetical reference on the plats of Wynlakes, and which may be so designated in any subsequent phases of the development of the Properties which have been set aside for multiple housing or zero lot line housing construction or detached housing construction.

1.20 "Person" means a natural person, a corporation, a partnership, trustee, or other legal entity.

1.21 "Properties" shall mean and refer to the real property described in Exhibit "B" attached hereto and incorporated by reference and shall further refer to such additional property as may hereafter be annexed by Subsequent Amendment to this Declaration or which is owned or acquired by the Association.

1.22 "Residential Association" shall mean a condominium or Neighborhood homeowner association which has been formed to care for common property and/or facilities which are used exclusively by the members of the Residential Association.

1.23 "Special Assessment" shall mean and refer to assessments levied in accordance with Section 10.03 of this Declaration.

1.24 "Subsequent Amendment" shall mean an amendment to this Declaration which adds additional property to that covered by 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 that Amendment to the provisions of this Declaration.

1.25 "Unit" shall mean a portion of the Properties located within the area designated as a Residential area on the Master Land Use Plan, as amended from time to time. A Unit shall mean and include a lot whether improved or unimproved. For the purposes of this Declaration, a Unit shall come into existence when the lot is platted, or in the case of a condominium, when the declaration of condominium is recorded in the public records.

1.26 "Voting Member" shall mean and refer to the Declarant, a Land Segment Owner, as well as the representative selected by the Member in each Neighborhood who shall be responsible for election of Directors, amending this Declaration, the Articles of Incorporation or the By-Laws, and all other matters provided for in this Declaration. The Voting Member from each Neighborhood shall be the senior elected officer (e.g. Neighbor Committee Chairman or Association President) from that component, the alternate Voting Member shall be the next most senior officer, unless otherwise provided in this Declaration.

ARTICLE II PROPERTY RIGHTS

2.01 Owners Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to the terms of this Declaration and to any restrictions or limitations contained in any Deed or amendment to this Declaration conveying to the Association or subjecting to this Declaration such property; provided, however that every Owner shall have an unrestricted right of ingress and egress between the Owner's Unit and a public road.

2.02 Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association, his or her right of enjoyment of the Common Area and facilities to the members of his or her family, tenants, and social invitees.

2.03 User Fees-Suspension of Rights. The Association reserves the right to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area and to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations.

2.04 Dedication of Common Area to Governmental Entity. The Board shall have, by a two-thirds (2/3) vote, the power to dedicate all or part of the Common Area to the appropriate local, state, or federal governmental entity.

2.05 Wynlakes Golf and Country Club, Inc. Wynlakes Golf and Country Club, Inc., is a for-profit corporation and is established as a private Club whose members may or may not be Owners within the Wynlakes Planned Unit Development. No Owner or occupant gains any right to enter or use the golf course, club house or related facilities or is entitled to special consideration for membership therein by ownership or occupancy of a unit.

No representations or warranties have been or are made by the Declarant or any other person or entity with regard to the continuing ownership or operation of the Country Club as same presently exists, and no purported representation or warranty in such regard shall ever be effective without an amendment hereto executed or joined into by the Declarant. The ownership

or operational duties of and as to the Country Club may change at any time, solely at the discretion of the Country Club's Board of Directors. Further, the present or future use of any land in Wynlakes as a golf course may be suspended or discontinued at any time by its Owner. The Wynlakes Golf and Country Club is exclusively exempted from any and all provisions of this Declaration, Supplements, or Amendments thereto.

The Declarant, his heirs, successors and assigns and the Association hereby covenant that they will take no actions that will adversely impact the operation, appearance and the esthetic concerns of the Wynlakes Golf and Country Club, Inc.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.01 Membership. Every Owner of a Unit shall be deemed to have one (1) membership in the Association, regardless of the number of Persons who constitute the Owner. The rights and privileges of membership, including the right to vote as set forth herein, may be exercised by a Member or the Member's spouse.

Membership in the Association shall pass with the title to each Unit as an appurtenance thereto.

3.02 Voting Rights. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". Class "A" Members shall be all Owners with the exception of the Class "B" members, if any.

Class "A" Members shall be entitled to one (1) vote in the Association for each membership as set forth in Section 3.01 hereof. Land Segment Owners shall be entitled to one (1) vote for each Unit for which a full assessment is being paid, and one (1) vote for every four (4) Units which are being assessed at a reduced rate in accordance with Section 10.01 hereof; provided however, that when calculating the number of votes for any Land Segment, the Units which are being assessed at a reduced rate shall be totaled and rounded to the nearest whole number that is divisible by four (4). In no event shall a Land Segment Owner be permitted to cast a fraction of a vote.

There shall be only one vote per membership. When more than one Person is the Owner of any Unit, the vote for such Unit shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Unit's vote shall be suspended in the event more than one Person seeks to exercise it.

Any Owner of a Unit which is leased may, in the lease or other written instrument, assign the voting right appurtenant to that Unit to the lessee, provided that a copy of such instrument is furnished to the Secretary prior to any meeting.

(b) Class "B". Class "B" Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale, and who is designated as such in a recorded instrument executed by Declarant. The Class "B" Member shall be a Voting Member and shall be entitled to cast the number of votes which are contained in the total of all Class "A" Members, plus one (1) vote, until such time when Class B votes terminate and convert to class "A" votes.

The Class "B" membership shall terminate and become converted to Class "A" membership upon the happening of the earlier of the following:

(i) When seventy-five percent (75%) of Units permitted for the property described in Exhibit "A" have been conveyed; provided however, that upon sale of the last unit in Phase 1 by Declarant or his successor, if there is no evidence of continuing development of the remaining property shown on Exhibit "A" within one year from said sale and seventy-five percent (75%) of the total units permitted for property in Phase 1 have been conveyed by Declarant or his successor, the Class "B" Member shall be deemed a Class "A" member.

(ii) January 1, 2015; or

(iii) When, at his discretion, the Declarant so determines, with the approval of first mortgagee of Declarant.

From and after the happening of these events, whichever occurs earlier, the Class "B" Member shall be deemed to be a Class "A" Member. At such time, the Declarant shall call a meeting, as provided in the By-Laws of the Association for special meetings, to advise the membership of the termination of Class "B" status and to elect the remaining members of the Board of Directors.

(c) Voting Members. 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 the 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 membership of each Neighborhood shall annually select one Voting Member who shall be deemed to have a non-revocable proxy for all Members within that Neighborhood for that year. The membership of each Neighborhood shall also select an alternate who shall serve as the Voting Member in the event the Voting Member is unable to serve. A Voting Member selected by a majority of the Members within the Neighborhood shall have the authority to cast the total number of votes as are located within that particular Neighborhood. No Member shall have the right to cancel, withdraw or otherwise affect the right of the Voting Member to cast the total number of votes within that Neighborhood as long as the Voting Member was properly selected by the Members of the Neighborhood.

ARTICLE IV

MAINTENANCE

4.01 Association's Responsibility. The Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, internal private roadways, lakes and any improvements which may be situated upon such areas. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Area which shall be maintained out of regular assessments for Common Expenses.

The Association may, at the discretion of its Board assume the maintenance responsibilities set out in this or in any Subsequent Amendment or Declaration subsequently recorded which creates any Residential Association, District or Neighborhood or upon any Land Segment upon all or any portion of the Properties. In such event, all costs of such maintenance

shall be assessed only against those Members residing in the District, Neighborhood and Land Segment or Residential Association to which the services are provided. This assumption of responsibility may take place either by contract or because, in the opinion of the Board, the level and quality of service then being provided is not consistent with the Community-Wide Standard of the Properties. The provision of services in accordance with this Section shall not constitute discrimination within a class.

4.02 Owner's Responsibility. In accordance with any additional Declaration and Subsequent Amendments to this Declaration which may be filed on portions of the Properties and in Accordance with this Declaration, all maintenance of a Unit and all structures, parking areas, and other improvements within a Unit shall be the sole responsibility of the Owner thereof who shall perform such maintenance in a manner consistent with this Declaration, the Community-Wide Standards and the applicable covenants; provided further, if this work is not properly performed by the Owner, the Association may perform it and assess the Owner as a Special Assessment, provided however, whenever entry is not required in an emergency situation, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

5.01 Association Insurance. The Association's Board of Directors or its duly authorized agent, shall have the authority to, and shall, obtain blanket all-risk insurance, if reasonably available, for all insurable improvements in the Common Area and may, but shall not be obligated to assume the responsibility for providing the same insurance coverage on the Properties contained within a District, Neighborhood or Residential Association. If blanket all-risk coverage is not reasonably available, then at a minimum, an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

In addition to casualty insurance on the Common Area, the Association may, but shall not under any circumstances be obligated to obtain and continue in effect, adequate blanket all-risk casualty insurance in such form as the Board of Directors deems appropriate for one hundred percent (100%) of the replacement cost of all structures comprising Residential Units. If the Association elects not to obtain such insurance, then an individual District or Neighborhood may obtain such insurance as a common expense of the District or Neighborhood to be paid by District or Neighborhood Assessments. In the Event such insurance is obtained by either the Association, a District, a Neighborhood or a Residential Association, the provisions of this Article shall apply to policy provisions, loss adjustment, and all other subjects to which this Article applies with regard to insurance on the Common Area. All such insurance shall be for the full replacement cost. All such policies shall provide for a certificate of insurance for each Member insured to be furnished to the Association, District, Neighborhood or Residential Association, as applicable.

The Board shall also obtain a public liability policy covering the Common Area, the Association and its Members for all damage or injury resulting from the operation, maintenance or use of the Common Area, or caused by the negligence of the Association or any of its Members or agents, and any legal liability that results from lawsuits relating to employment contracts with the Association in which the Association is a party. The public liability policy shall have at least a One Million Dollar (\$1,000,000.00) single person limit as respects bodily injury

and property damage, a One Million Dollar (\$1,000,000.00) limit per occurrence, and a Five Hundred Thousand Dollar (\$500,000.00) minimum property damage limit.

Premiums for all insurance on the Common Area shall be Common Expenses of the Association; premiums for insurance provided to Residential Associations, Districts or Neighborhoods shall be charged to those Associations, Districts or Neighborhoods. The policy may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be responsible for the repair in the absence of insurance and in the event of multiple parties shall be allocated in relation to the amount each party's loss bears to the total.

Cost of insurance coverage obtained by the Association for the Common Area shall be included in the Base Assessment, as defined in Section 1.04 and as more particularly described in Article X hereof.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the respective benefited parties, as further identified in subsection (b) below. 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-XI 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; all policies secured at the request of a Neighborhood or Residential Association shall be for the benefit of the Owners and Mortgagees of Units within the District, Neighborhood or Residential Association.

(c) Exclusive authority to adjust losses under policies in force on the Properties obtained by the Association shall be vested in the Association's 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 Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents, and guests;

(ii) A waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;

(iii) That no policy may be cancelled, invalidated or suspended on account of any one or more individual Owner;

(iv) That no policy may be cancelled, invalidated, or suspended on account of the conduct of any Director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance

of a reasonable time thereafter within which the defect may be cured by the Association, its manager, an Owner, or Mortgagee;

(v) That any "other insurance" clause in any policy exclude individual Owner's policies from consideration; and

(vi) That no policy may be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

In addition to the other insurance required by this Section 5.01, the Board shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on Directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the Directors' best business judgement but may not be less than three (3) months' assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

In addition, the Board of Directors may purchase Directors and Officers Liability Insurance to protect them during their terms as Directors, and may purchase other forms of insurance they deem necessary and appropriate for the Association.

5.02 Individual Insurance. By virtue of taking title to a Unit 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 blanket all-risk casualty insurance on his Units and structures constructed thereon as provided for in Section 5.01 unless the Association, District, Neighborhood or Residential Association in which the Unit is located (which it is not obligated to do so) carries such insurance. Each Owner further covenants and agrees that in the event of a partial loss of damage and destruction resulting in less than total destruction of structures comprising his Unit, 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 Unit of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction.

A District, Neighborhood or Residential Association may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Unit and the standard for returning the Unit to its natural state in the event the Owner decides not to rebuild or reconstruct.

5.03 Disbursement of Proceeds. Proceeds of insurance policies 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 Area 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 their 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 Unit and may be enforced by such Mortgagee.

(b) If it is determined, as provided for in §5.04, that the damage or destruction to the Common Area 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 §5.03 (a) hereof.

5.04 Damage and Destruction

(a) Immediately after the damage or destruction by fire or casualty to all or any part of the Properties 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 Properties. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Properties to substantially the same condition in which they existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area (or to the common property of any District, Neighborhood or Residential Association) 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 Area 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 Area shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event the Properties shall be restored to their natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

5.05 Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Voting Members levy a Special Assessment against all Owners in proportion to their membership interest as set forth in Section 3.01 hereof. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE VI

DESIGN REVIEW PROCEDURE

The Board of Directors shall appoint a Design Review Board (DRB) and a Modification Committee (MC).

The Board of Directors shall have the Authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Design Review Board and the Modifications Committee established in Section 6.01 and 6.02, including the recovery of damages, costs, reasonable attorneys' fees (including appellate attorney's fees and costs) and declaratory and injunctive relief.

No construction, which term shall include within its definition staking, clearing, excavation, grading, or other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the appropriate committee has been obtained.

6.01 Design Review Board. The Design Review Board (DRB) shall have exclusive jurisdiction over all new construction on any portion of the Properties. The DRB shall prepare and, on behalf of the Board of Directors, shall promulgate design review guidelines. The guidelines shall be those of the Association, and the DRB shall have sole and full authority to prepare and to amend same. Those guidelines shall be made available to Owners who seek to engage in development of or construction upon all or any portion of the Properties and such Owners shall conduct their operations strictly in accordance therewith. Until all of the Units in the Total Property are constructed and conveyed to purchasers in the normal course of development and sale, the Declarant retains the right to appoint all members of the DRB which shall consist of at least three (3), but no more than five (5) persons. There shall be no surrender of this right prior to that time, except in a written instrument executed and recorded by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the DRB in the same manner as provided in §6.02 of this Article for the Modifications Committee.

6.02 Modifications Committee. The Modifications Committee (MC) shall consist of at least three (3) and no more than five (5) members, all of whom shall be appointed by the Board of Directors. The MC shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Units and the open space, if any, appurtenant thereto; provided, however, the MC may delegate this authority to the appropriate board or committee of any District, Neighborhood or Residential Association subsequently created or subsequently subjected to this Declaration so long as the MC has determined that such board or committee has in force review and enforcement practices, procedures and appropriate standards at least equal to those of the MC. Such delegation may be revoked and jurisdiction reassumed at any time by written notice to the District, Neighborhood or Residential Association.

The Modifications Committee shall promulgate detailed standards and procedures governing its areas of responsibility and practice. In addition thereto, the following shall apply. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the Modifications Committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plan and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired. In the event that the appropriate Modifications Committee fails to approve or to disapprove such plans or to request additional information reasonably required within forty-five (45) days after submission, the plans shall be deemed approved.

6.03 Liability. Neither the DRB or the MC nor any member thereof shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or disapproval or any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications, or (c) the development of any property within the Properties, provided that such member has acted in good faith on the basis of such information as may be possessed by him or her.

6.04 Amendment. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any land described in Exhibit "A" hereof.

ARTICLE VII
GENERAL COVENANTS AND RESTRICTIONS

The Board of Directors is hereby empowered to promulgate and enforce general standards of behavior and use of Properties within the Planned Unit Development known as Wynlakes. Therefore the Board of Directors is hereinafter empowered to enforce the following covenants and restrictions and to set forth policy as to enforcement thereof in accordance with Section 3.15 of the By-Laws.

7.01 Use of Property. No previously approved structure shall be used for any purpose other than that for which it was originally designed;

7.02 Subdivision or Partition. No Unit shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise. Declarant reserves the right to amend the preliminary plat for the purpose of decreasing or increasing Unit and Parcel sizes.

7.03 Recreational Vehicles. No boat, boat trailer, house trailer, horse trailer, trailer, camper, motor home or any similar items shall be stored on or at any Unit for a period of time in excess of twenty-four (24) hours, unless housed in a carport or garage, or parked beyond the building set back line and otherwise screened so that it cannot be seen from adjacent and surrounding property.

7.04 Commercial Trucks. No commercial truck, vehicle or equipment shall be permitted to be parked or to be stored at any place on the Properties. This prohibition on parking shall not apply to temporary parking of trucks and commercial vehicles used for pick-up and delivery.

7.05 Remedies For Vehicle and Recreational Equipment Violations. Any such vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the rules and regulations now or hereafter adopted by the Association may be towed by the Association at the sole expense of the Owner of such vehicle or recreational equipment if it remains in violation for a period of twenty-four (24) hours. The Association shall not be liable to the Owner of such vehicle or recreational equipment for trespass, conversion or otherwise, nor guilty of any criminal act by reason of such towing and neither its removal or failure of the Owner to receive any notice of said violation shall be grounds for relief of any kind.

7.06 Vehicle Maintenance and Repair. No maintenance or repairs shall be performed on any vehicles upon any portion of the Properties, unless performed in a garage, except in an emergency situation. Notwithstanding the foregoing, all repairs to disabled vehicles within the Properties must be completed within four (4) hours from its immobilization or the vehicle must be removed. The Association shall be allowed to maintain and store its maintenance vehicles on specific areas of the Properties as necessary for the operation and maintenance of Wynlakes.

7.07 Animals. No animals, livestock, insects, reptiles or poultry shall be kept or maintained on any part of the Properties without the express written consent of the Board of Directors of the Association except for usual household pets kept for purposes other than breeding or commercial.

7.08 Signs. No sign or other advertising device of any nature shall be placed upon any part of the Properties except as provided herein. The Design Review Board shall adopt and promulgate rules and regulations relating to signs and other advertising devices. Signs and other advertising devices when in compliance with criteria as established by the Design Review Board may be erected and maintained upon the Owner's Lot. Notwithstanding the foregoing,

the Declarant specifically reserves the right for himself, his heirs, successors, nominees, assigns and the Association to place and maintain signs in connection with constructing, marketing, sales and rental of Units and identifying or information signs anywhere on the property.

7.09 Temporary Structures. No temporary building, trailer, garage or building in the course of construction or other structure shall be used, temporarily, or permanently, as a residence on any part of the Properties.

7.10 Accumulation of Refuse. No lumber, metals, bulk materials (except lumber, metals, 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 part of the Properties, except building materials during the course of construction of any approved structure. Builders must provide dumpsters on the property during the construction period. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open, on any day that a pick-up is to be made, at such place on the Unit to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so that they cannot be seen from adjacent and surrounding property. The Design Review Board, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on the Properties.

7.11 Pipes. To the extent of the interest of the Owners of a Unit, no water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on or at any Unit above the surface of the ground, except hoses and movable pipes used for irrigation purposes.

7.12 Mining. To the extent of the interest of the Owner of a Unit, no Unit shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

7.13 Maintenance of Hedges and Plants. Association shall have the right to enter upon any part of the Unit and trim or prune, at the expense of the Owner, any hedge or other planting which in the opinion of the Association or the Design Review Board, by reason of its location upon the Unit or the height to which it is permitted to grow, is unreasonably detrimental to the adjoining property or obscures the view of street traffic or is unattractive in appearance; provided however, that the Owner shall be given fifteen (15) days prior written notice of such action.

7.14 Business Activity. No profession or home industry shall be conducted in or on any part of a Unit or in any improvement thereon on the Properties. The Board of Directors of the Association, in its discretion, upon consideration of the circumstances in each case, and particularly the effect on surrounding property, may permit a Unit or any improvement thereon to be used in whole or in part for the conduct of a profession or home industry. No such profession or home industry shall be permitted, however, unless it is considered by the Board of Directors, to be compatible with a high quality residential neighborhood. This section does not authorize or permit any business activity in violation of the zoning laws of the governing body.

7.15 Wall and Window Air Conditioning Units. Wall and window air conditioning units shall not be permitted except with the prior written consent of the Design Review Board.

7.16 Solar Collectors. No solar collectors, other than those installed by Declarant, shall be permitted without the prior written consent of the Design Review Board and when allowed shall be installed so as not to be visible from any street.

7.17 Garbage Containers, Oil & Gas Tanks, Swimming Pool Equipment. All garage and trash containers, oil tanks, bottled gas tanks, and swimming pool equipment and housing must be underground or placed in walled in areas or landscaped areas so that they are not visible from any adjoining property. Adequate landscaping shall be installed and maintained by the Owner.

7.18 Model House, Real Estate Office. All else herein notwithstanding, with the written approval of the Design Review Board, any Unit may be used for a model home or for a real estate office, but only by Declarant, for so long as Declarant owns any Units.

7.19 Clothes Lines. No clothing or any other household fabrics shall be hung in the open on any Unit unless the same is not visible from any adjoining property or public view.

7.20 Machinery. No machinery shall be placed or operated upon any Unit except such machinery as is usual in maintenance of a private residence.

7.21 Use Authorized By Design Review Board. Notwithstanding other provisions herein, the Design Review Board may authorize any Owner with respect to his Unit to:

- (a) temporarily use a single family dwelling house for more than one family;
- (b) maintain a sign or other than as expressly permitted herein;
- (c) locate structures other than the principal dwelling house for residence purposes on a temporary basis.

7.22 Mail Boxes. The design of all mail boxes must be approved by the Design Review Board.

7.23 Transmission Equipment. No visible ham radios or radio transmission equipment shall be operated or permitted to be operated on the Properties. No television, radio antennas or television satellite dishes shall be permitted on the Property, unless approved by the Design Review Board.

7.24 Prohibited Uses. No person shall, without the written approval of the Association do any of the following on any part of the Common Area: (a) use motor boats on any lake, pond or stream, (b) boat or fish (No permission to boat or fish will be granted to anyone under the age sixteen, unless same is to be accompanied by an adult); (c) permit the running of animals except when on a leash, (d) light any fires except in designated picnic areas; (e) fell any trees or injure or damage any landscaping; (f) interfere with any drainage, utility or access easements, (g) build any structures, recreational or other common facilities other than those approved by the Design Review Board, (h) discharge any liquid or material other than natural drainage into any lake, pond or water course; (i) alter or obstruct any lakes, ponds or water courses; or (j) interfere with any water control structures or apparatus. There shall be no swimming or wading by anyone in any part of the lakes, ponds or streams on the Total Property. Nor shall any person violate rules and regulations that may be established by the Association governing the use of the common areas.

7.25 Nuisances. No obnoxious, offensive or illegal activities shall be carried on upon any Unit nor shall anything be done on any Unit which may be or may become an annoyance or nuisance to the neighborhood.

7.26 Walls or Fences. No fences or walls may be erected without the approval of the Design Review Board. Chainlike or wire fences are not allowed. Unless Approved by the Design Review Board, fences along property line adjoining golf course and lakes are limited to fences which are not more than four (4) feet high and which have 50% open area.

7.27 Underground Utilities. To the extent of the interest of the Owner of a Unit, the Owner of a Unit will not erect or grant to any person, firm or corporation the right, license or privilege to erect or use or permit the use of overhead wires, poles, or overhead facilities of any kind for electrical or telephone service on said real estate (except such poles and overhead facilities as may be required at those places where distribution facilities enter and leave the particular area) without the prior written consent of the Design Review Board. Nothing herein shall be construed to prohibit overhead street lighting or ornamental yard lighting, where serviced by underground wires or cables.

Where underground electric service is to be installed, in order to permit installation of underground electric service to each Unit for the mutual benefit of all owners therein no Owner of any such Unit will such Owner (1) notifies the electric utility that such construction is proposed, (2) grants in writing to the electric utility such rights and easements the electric utility such rights and easements the electric utility requires in connection with its construction, operation maintenance and removal of underground service lateral on each Unit, and (3) otherwise complies with the Rules and Regulations for Underground Residential Distribution on files with and approved by the Alabama Public Service Commission.

If required by the electric utility, such electric utility, its successors and assigns, may retain title to the underground service lateral and outdoor metering trough or house-power box (exclusive of circuit breakers) serving each said house, and said service entrance facilities provided by such utility will not in any way be considered a fixture or fixtures and thereby a part of said real estate, but will remain personal property belonging to such utility, its successors and assigns, in accordance with applicable Rules and Regulations filed with and approved by the Alabama Public Service Commission.

7.28 Connection Point For Utilities Service. To the extent of the interests of the Owner of each Unit, such owners agree to connect utility service lines (including, but not limited to gas, water, sewer and electricity) at points designated by Declarant.

7.29 Parking. Owner of a Unit shall provide space for the parking of at least three (3) automobiles, unless modified by the Design Review Board, per dwelling unit off public streets. Parking must be confined to interior of the Unit and not on public right of way.

7.30 Chimney Flues. Exposed chimney flues shall be enclosed.

7.31 Approved Builders List. All improvements constructed on any Unit located within the Properties of Wynlakes shall be made by a builder from a list approved by the Design Review Board.

7.32 Carports and Garages. No carports or garages shall open toward the front unless approved by the Design Review Board.

ARTICLE VIII

WATERFRONT AREAS AND WATERWAYS

8.01 Restrictions on Lakes and Lakefront Areas. Any Unit which shall abut upon any lake, stream, pond or other waterway shall be subject to the following additional restrictions:

(i) No pier, dock, or other structure or obstruction shall be built or maintained upon any waterfront Unit or into or upon any Waterway on the properties or adjacent thereto except with the specific written approval of the Design Review Board.

(ii) Except with prior written approval of the Association or Design Review Board no device may be constructed or installed upon any Unit which shall in any way alter the course of natural boundaries of any Waterway or which shall involve or result in the removal of water from any waterway.

(iii) All such Units shall be subject to a perpetual easement in favor of the Association over that portion thereof designated on the face of the Plat as a "Storm Drainage Overflow Easement" including the right to overflow and submerge the portion of the Unit included therein.

(iv) The Owner of each Unit shall have the right at all times of ingress and egress to and from the water, but shall be responsible for the maintenance of the Unit between the side lot lines of his property to the water's edge.

(v) The Owner of each Unit abutting the water's edge shall release and discharge the Declarant, the Association and the City of Montgomery, Alabama, a municipal corporation, from any and all claims for debt or damage sustained by Owner or existing in Owner's favor, to Owner, Owner's property and property rights heretofore or hereafter to be sustained or to accrue by reason or account of the operation and maintenance of said lakes.

ARTICLE IX

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

9.01 Common Area and Rights-of-Way. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management, maintenance and control of all of the Common Area within the Properties, and all improvements thereon, and shall keep them in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

9.02 Gatehouse. The Association shall own and provide for the maintenance of the entrance gatehouse and, if manned, the salary for same. THIS IS NOT INTENDED TO OBLIGATE THE DECLARANT OR THE ASSOCIATION TO PROVIDE ANY FORM OF SECURITY TO THE REAL PROPERTY DESCRIBED IN EXHIBIT "A".

9.03 Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, will accept any personal property conveyed to it by the Declarant or his successor "as is" and any real property within the Total Property as shown on Exhibit "A" conveyed to it by Declarant or his successor, providing such property is suitable for the purpose conveyed.

9.04 Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include reasonable monetary fines and suspension of the right to vote and the right to use the Common Area. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the By-Laws of the Association. In addition, the Association, through the Board, may, by contract or other agreement, enforce local ordinances on the Properties for the benefit of the Association and its Members.

9.05 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably

to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE X ASSESSMENTS

10.01 Creation of Assessments. There are hereby created assessments for Common Expenses as may be from time to time specifically authorized by the Board of Directors to be commenced at the time and in the manner set forth in Section 10.06 hereof. Assessments shall be allocated equally for each membership as set forth in Section 3.01 hereof provided, however, Owners of a Land Segment (i.e., unimproved Parcel as shown on the face of a Wynlakes plat) shall be assessed at a rate equal to twenty-five percent (25%) of the Base Assessment for any unimproved Units, but shall pay the full assessment per Unit when improvements begin or within two years, whichever occurs earlier. The Declarant's responsibility for assessments shall be as set forth in Section 10.09 hereof.

Neighborhood Assessments, when so determined and authorized by the Board, shall be levied against Units in particular portions of the Properties or in Residential Associations for whose benefit Common Expenses are incurred which benefit less than the whole Association. The Neighborhood Assessments shall be established based on the actual cost of the benefit received and shall be levied only on the benefited Units.

Each Owner, other than declarant, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and agree to pay these assessments. All such assessments including Special Assessments, together with interest at the rate of ten percent (10%) per annum or highest legal rate, costs, and reasonable attorney's fees, including appellate attorney's fees and costs, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made.

All Assessments, including Special Assessments, together with interest, costs, and reasonable attorney's fees, including appellate attorney's fees and costs, shall also be the personal obligation of the person or entity who was the Owner of such Unit at the time the assessment arose, and his, her or its grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance only to the extent expressly assumed, except no first Mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual assessment for delinquents. Unless the Board otherwise provides, the assessments shall be paid in semi-annual installments.

The Assessments levied by the Association shall be used exclusively to promote the recreation and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and of the homes, situated upon the Properties.

All properties dedicated to, and accepted by, a local public authority and all Properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Alabama shall be exempt from the assessments created herein, except no land or improvements devoted to dwelling use shall be exempt from said assessments.

The Association is specially authorized to enter into contracts with Declarant or other entities for the payment of some portion of the Common Expense

10.02 Computation of Assessment. **(first paragraph was amended Oct 17, 1996, attached to the end of these covenants. The changed wording is shown in BOLD letters below)** It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year and thirty (30) days prior to the meeting at which the budget shall be presented to the Voting Members, to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared and shall separately list general and Neighborhood expenses, if applicable. The Board shall cause a copy of the budget, and the amount of the assessment to be levied against each Unit for the following year to be **made available to each Owner upon request** prior to the meeting. The budget and the assessments shall become effective unless disapproved at the meeting by a vote of the Voting Members representing at least a majority of the vote of the Class "A" and the Class "B" Members.

Notwithstanding the foregoing, however, in the event the Voting Members disapprove the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget has been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year. Until January 1 of the year immediately following the conveyance of the Common Area to the Association, the maximum annual assessment shall be Sixteen and No/100 Dollars (\$16.00) per month per Unit to be paid semi-annually unless the Board provides otherwise.

The Board may not without the vote or written consent of the Voting Members representing a majority of the Association impose a Base Assessment per Unit which exceeds the Base Assessment per Unit for the immediately preceding fiscal year by more than twelve percent (12%) or the amount which the Consumer Price Index for Alabama has increased over the previous fiscal year, whichever is greater, provided however, in determining whether an increase is within the limitation imposed by this paragraph, the amount of any increase due to increased cost of utilities or insurance, damage by acts of God, and increases in the reserve fund shall not be included.

10.03 Special Assessments. In addition to the assessments authorized in Section 10.01, the Association may levy a Special Assessment or Special Assessments in any year applicable to that year; provided however, such assessment shall have the vote or written assent of the Voting Members representing fifty-one percent (51%) of the Class "A" and Class "B" Members; provided further, after the conversion of the Class "B" membership, any such assessment shall have the vote or written assent of the Voting Members representing fifty-one percent (51%) of the total votes of the Association other than the Declarant. The Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member and his Unit into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing. The Association may also levy a Special Assessment against any Neighborhood, Land Segment Owner or Residential Association to reimburse the Association for costs incurred in bringing the Neighborhood, Land Segment or Residential Association into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the senior officer thereof and an opportunity for a hearing.

10.04 Lien for Assessments. Upon recording of a notice of lien, there shall exist a perfected lien for all unpaid assessments, including Special Assessments, on the respective Unit prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority over other mortgages

or deeds of trust) made in good faith and for value.

Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure. In addition to the rights of the Association set forth in Section 10.01 hereof, suite to recover a money judgment for unpaid Common Expenses and attorney's fees may be maintained without foreclosing or waiving the lien securing the same. After notice and hearing, the Board may temporarily suspend the voting rights of a Member who is in default in payment of any assessment.

The Association acting on behalf of the Owners, shall have the power to bid for the Unit or Land Segment at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Unit is owned by the Association following foreclosure:

- (a) No right to vote shall be exercised on its behalf;
- (b) No assessment shall be assessed or levied on it; and
- (c) Each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure.

10.05 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 or replacement cost. The Board 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 both to amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Section 10.02 of this Article. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

10.06 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Units and Land Segments on the first day of the month following the date of conveyance of title of the Common Area to the Association. Assessments shall be due and payable in a 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 then remaining in that fiscal year.

10.07 Subordination of the Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Alabama law), and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure 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 Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of record or other purchaser of a Unit obtains title, his successors and assigns shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of Common Expenses of assessments shall be deemed to be Common Expenses collectible from all of the Units, including such acquirer, his successors and assigns.

10.08 Capitalization of Association. Upon acquisition of record title to a Unit from Declarant, each Owner shall contribute to the capital of the Association an amount equal to one-sixth (1/6) of the amount of the annual Base Assessment for the Unit as determined by the Board. This amount shall be deposited by the buyer into the purchase and sales escrow and

disbursed therefrom to the Association for general operating expenses.

10.09 Effect on Declarant. Notwithstanding any provision that may be contained to the contrary herein, for so long as Declarant (or any of its affiliates) is the Owner of any Unit or undeveloped property described in Exhibit "A", the Declarant shall have the option, in his sole discretion, to (i) pay assessments on the Units owned by it, or (ii) not paying assessments on any Units and in lieu thereof funding any resulting deficit in the Association's operating expense not produced by assessments receivable from Owners other than Declarant. The deficit to be paid under option (ii), above, shall be the difference between (I) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Association (including, without limitation, assessments, interests, late charges, fines and incidental income) and any surplus carried forward from the preceding year (s). The Declarant may from time to time change the option stated above under which the Declarant is making payments to the Association by written notice to such effect to the Association. When all Units within the Properties are sold and conveyed to purchasers, neither the Declarant, nor its affiliates, shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions. In no event shall Declarant ever be obligated to pay a Special Assessment.

ARTICLE XI

NO PARTITION

Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Common Area or any part thereof, nor shall any person acquiring any interest in the Properties or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 5.04 in the case of damage or destruction, or unless the Properties have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE XII

ANNEXATION OF ADDITIONAL PROPERTY

12.01 Annexation Without Approval of Membership. Notwithstanding any other provision contained in this Declaration, the Declarant, his heirs, successors and assigns shall have the unilateral right privilege, and option, from time to time at any time until the year 2015, to annex, subject to the provisions of this Declaration and the jurisdiction of the Association, all or any portion of the real property described in Exhibit "A", attached hereto and by reference made a part hereof, whether in fee simple or leasehold, by filing in the Office of the Judge of Probate for Montgomery County an amendment annexing such Properties. Such Subsequent Amendment to this Declaration shall not require the consent of the Members. Any such annexation shall be effective upon the filing for record of such Subsequent Amendment unless otherwise provided therein. Subject to the prior approval of the Veteran's Administration, Declarant shall have the unilateral right to transfer to any other person the said right, privilege and option to annex additional property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least a portion of said real property

described in said Exhibit "A" attached hereto and that such transfer is memorialized in a written, recorded instrument.

12.02 Annexation with Approval of Membership. Subject to the consent of the owner thereof, upon the written consent, or affirmative vote of the Voting Members representing a majority of the Association other than Declarant, and of the Declarant so long as Declarant owns property described in Exhibit "A", the ASSOCIATION may annex real property other than that shown on Exhibit "A", and following the expiration of the right in Section 12.01, the Properties shown on Exhibit "A", to the provisions of this Declaration and the jurisdiction of the Association by filing in the Office of the Judge of Probate for Montgomery County, a Subsequent Amendment in respect to the Properties being annexed. Any such Subsequent Amendment shall be signed by the President and the Secretary of the Association, and the owner of the properties being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the By-Laws dealing with regular or special meetings, as the case may be, shall apply to determine the time required and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 12.02, and to ascertain the presence of a quorum at such meeting.

12.03 Acquisition of Additional Common Area. Notwithstanding any other provision contained in this Declaration, Declarant may convey additional real estate, improved or unimproved, located within the Total Property described in Exhibit "A" which upon conveyance or dedication to the Association shall be accepted by the Association, and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

12.04 Amendment. This Article XII shall not be amended without the written consent of Declarant, so long as the Declarant owns any property described in Exhibit "A".

12.05 Adjacent Land. This Declaration of Covenants, Conditions and Restrictions shall not apply to adjacent lands owned by Declarant, except those adjacent lands annexed in accordance with Section 12.01 or 12.02.

ARTICLE XIII CONDEMNATION

Whenever all or any part of the Common Area shall be taken (or conveyed by the Board acting on the written direction of all Voting Members in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, 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, to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then unless within sixty (60) days after such taking the Declarant and the Voting Members representing at least seventy-five percent (75%) of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to repair after casualty damage or destruction shall apply. If the taking does not involve any improvements in the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

ARTICLE XIV
MORTGAGEES' RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of first mortgages on Units in the Properties. To the extent applicable, necessary, or proper, the provisions of this Article XIV apply to both this Declaration and to the By-Laws of the Association. Where indicated, these provisions apply only to "eligible holders," as hereinafter defined; provided, however, voting percentages set forth herein are subject to and controlled by higher percentage requirements, if any, set forth elsewhere in this Declaration for specific actions.

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, or guarantor and the unit number), (therefore becoming an "eligible holder"), will be entitled to timely written notice of:

- (a) any proposed termination of the Association;
- (b) any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder;
- (c) any delinquency in the payment of assessments or charges owned by an Owner of a Unit subject to the mortgage of such eligible holder, insurer, or guarantor, 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 any obligation under the Declaration or By-Laws which is not cured within sixty (60) days.
- (d) any lapse, cancellations, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (e) any proposed action which would require the consent of a specified percentage of eligible holders.

14.02 Special FHLMC Provision. So long as required by The Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing Section of this Article. Unless two-thirds (2/3) of the first mortgagees or Owners give their consent, the Association shall not:

- (a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Properties shall not be deemed a transfer);
- (b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;
- (c) by act or omission change, waive, or abandon any scheme of regulations or enforcements thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Area. This issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver or abandonment within the meaning of this provision;

(d) fail to maintain fire and extended coverage insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such Properties.

First mortgagees may, jointly or singly pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies, or secure new casualty insurance coverage upon the lapse of a policy for the Common Area, and first mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

14.03 FHA/VA Mortgagee Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration, the Veterans Administration and any first mortgagee of record holding a mortgage from Declarant; Annexation of additional properties, dedication of Common Area, and any material amendment of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE XV GENERAL PROVISIONS

15.01 Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Properties subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change covenants and restrictions, in whole or in part, or to terminate the same.

15.02 Amendment.

(a) Subject to the requirements of Sections 14.03 and 15.02 (b) hereof, the Declarant may amend this Declaration so long as it has the right to appoint a majority of the Board of Directors; thereafter and otherwise, subject to the requirements of 15.02 (b) hereof, this Declaration may be amended only by the affirmative vote or written consent of Voting Members representing seventy-five percent (75%) of the total votes of the Association. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. So long as there is a Class "B" membership, no amendment may remove, revoke, or modify any right or privilege of Declarant as specifically provided for in this Declaration or Amendments thereto without the written consent of Declarant or the assignee of such right or privilege. Any amendment must be recorded in the Office of the Judge of Probate of Montgomery County, Alabama.

(b) The consent of at least two thirds (2/3) percent of the Class "A" votes and of the Declarant, so long as he owns any land described in Exhibit "A" as exercised through their Voting Members hereof, shall be required to terminate the Association and to make a material amendment to any provisions of the Declaration, or Articles of Incorporation of the Association, or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

- (i) voting rights;
- (ii) assessments, assessments liens, or subordination of such liens;
- (iii) reserves for maintenance, repair, and replacement of the Common Area;
- (iv) insurance or fidelity bonds;
- (v) rights to use of the Common Area;
- (vi) responsibility for maintenance and repair of the Properties
- (vii) expansion or contraction of the Properties or the addition, annexation, or withdrawal of Properties to or from the Association;
- (viii) boundaries of any Unit;
- (ix) leasing of Units;
- (x) imposition of any right of first refusal or similar restrictions of the right of any Owner to sell, transfer, or otherwise convey his or her Units;
- (xi) establishment of self-management by the Association where professional management has been required by an eligible holder;
- (xii) convertibility of Units into Common Areas or vice versa; or
- (xiii) any provisions included in the Declaration, By-Laws, or Articles of Incorporation which are for the express benefit of holders, guarantors, or issuers of first mortgages on Units.

(c) Declarant shall have the right at any time within five (5) years from the date hereof to amend this Declaration to correct transcriber errors and to clarify any ambiguities determined to exist herein, or to change or add provisions to this Declaration for the purpose of meeting the requirements of governmental agencies, including but not limited to the Federal Housing Administration and the Veterans Administration. Such Amendment needs to be executed and acknowledged by the Declarant only, and need not be approved by the Association, Owners, lienors and mortgagees of Units, whether or not elsewhere required for amendments. No Amendment shall alter the subordination provisions of this Declaration without the prior approval of any mortgagee enjoying such protection.

15.03 Indemnification of Officers and Directors. The Association shall indemnify every officer, director, and committee member against any and all expenses, including trial and appellate attorney's fees and costs, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she 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 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. Any right to indemnification provided for herein 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, as a Common Expense, maintain adequate general liability insurance, and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

15.04 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Unit and such portion or portions of the Common Area adjacent thereto or as between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than one (1) foot, as measured from any point on the common boundary between each Unit and adjacent portion of the Common Area or as between said adjacent Units, as the case may be, along a line perpendicular to such boundary at such point, provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of an Owner, tenant, or the Association.

15.05 Easements for Utility and Irrigation Easements. There is reserved unto the Declarant, so long as it owns a Unit, the right to grant reasonable easements for the installation and maintenance of temporary roads, cable television services, if applicable, public utilities and irrigation systems (including the installation of irrigation pumps) on the Common Properties and the Properties in addition to those easements already reserved.

15.06 Easement for Governmental, Health, Sanitation and Emergency Services. There is hereby 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 non-exclusive easement, for purposes of ingress and egress over the Common Properties.

15.07 Easement for Golf Ball Retrieval. Anyone playing golf upon the private golf course shall have an easement and license to go upon Common Area or on an Owner's land adjacent thereto to retrieve errant golf balls so long as such person does so in a reasonable manner not to damage the adjacent Property while accomplishing such retrieval. Any golfer causing damage by his errant golf ball during play or while retrieving it shall be solely responsible for such damage, and the owner of the golf course shall not be responsible therefor.

15.08 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

15.09 Rights of Entry. The Association shall have the right, but shall not be obligated, to enter into any Unit for emergency, security, and safety, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Unit to make emergency repairs, to perform other work reasonably necessary for the proper maintenance and operation of the Properties, and to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

15.10 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

15.11 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a seventy-five percent (75%) vote of the total Members of the Association. This Section 15.11 shall not apply, however to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article X

hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section 15.11 shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes and, pursuant to the same procedures, necessary to institute proceedings as provided above.

15.12 Construction Period. With respect to each Unit, construction of the residential building is to begin within two (2) years from the date of purchase of the Unit and to be completed within one (1) year from the date of beginning construction, unless an extension is granted by Declarant or the Design Review Board. The term "purchase" is not to include deed in lieu of foreclosure. In addition to all other rights and remedies for breach of these restrictions, in the event this restriction is not fully complied with, Declarant shall have the right, but not the obligation, to repurchase the Unit for an amount not to exceed the purchase price paid Declarant for the lot without interest; provided that prior to the expiration date of the two (2) year period, reasonable notice in writing is given to the Owner of the Unit that Declarant intends to exercise his option at the end of the two year period.

15.13 Indemnity for Damages. Each and every Owner and future Owner, in accepting a deed or contract for any Unit subject to these Restrictions, agrees to indemnify Declarant his heirs, assigns and successors for any damage caused by such Owner, or the contractor, agent or employees of such Owner, to roads, streets, gutters, walkways or other aspects of public ways, including all surfacing thereon, or to water, drainage or storm sewer lines of sanitary sewer lines.

15.14 Indemnification of Declarant. The Association agrees to indemnify and hold harmless Declarant, his heirs, assigns and successors from any and all liability arising out of accidental death or injury on the Common Area, including all costs and attorney fees resulting from or arising out of such death or injury.

ARTICLE XVI

PARTY WALLS

16.01 General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the Unit shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

16.02 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

16.03 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

16.04 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

16.05 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

16.06 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, to the extent permitted by Alabama law, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be made a majority of all the arbitrators.

ARTICLE XVII

DECLARANT'S RIGHTS

17.01 Transfer of Rights. Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Office of the Judge of Probate of Montgomery County, Alabama. Nothing in this Declaration shall be construed to require Declarant or any successor to develop any of the property set forth in Exhibit "A" in any manner whatsoever.

17.02 Legal Description Modifications. Declarant has the right to change or modify the legal description of any real property designated as Common Area or as a Parcel or Parcels or as a residential Lot or Lots located within the boundaries of the Planned Unit Development, but outside of that property included in any plat appearing of record in the Office of the Judge of Probate of Montgomery County, Alabama, without obtaining any approval from any "Owner" or other party, solely by filing an affidavit executed by the project engineer describing the change made in the legal description of a Common Area, Parcel or residential Lot.

17.03 Right of Approval. This Section 17.03 may not be amended without the express, written consent of the Declarant until Declarant no longer owns any land described in Exhibit "A" to the Declaration or until January 1, 2015, whichever first occurs.

From the termination of the Class "B" membership, the Declarant shall have the right to approve all actions of the Association Board and the Modifications Committee as those actions may affect the Declarant's rights to improve, construct, market and sell the remaining portions of land described in Exhibit "A". This right shall be exercisable only by Declarant, his successors and assigns who specifically take this right in a recorded instrument. The right shall be exercised as follows:

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

(a) Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Association Board of Directors or the Modification Committee by certified mail, return receipt requested, or by personal delivery at the address he has registered with the Secretary of the Association, as it may change from time to time; and

(b) Declarant shall be given the opportunity at any such meeting to join in or to have his representatives or agents join in discussion from the floor of any prospective action, policy or program to be implemented by the Association Board or the Modifications Committee. Declarant and his representatives or agents shall make his concerns, thoughts, and suggestions known to the members of the Modifications Committee or the Association and/or the Board. Said right must be exercised by Declarant, his representatives, or agents within ten (10) days

after the meeting held pursuant to the terms and provisions hereof.

17.04 Construction and Sale. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Units shall continue, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Properties and/or of the Common Area such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of Units, including, but not limited to, business offices, signs, model units, and sales offices, and the Declarant shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use residences owned by the Declarant as models and sales offices.

Notwithstanding any other provision in the Declaration, the Declarant is irrevocably empowered to sell, lease or rent Units on any terms to any purchasers or lessees for as long as it owns a Unit.

So long as Declarant continues to have rights under this paragraph, no person or entity shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent thereof, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

This Section may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Section 17.04 shall terminate upon the earlier of (a) twenty (20) years from the date this Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

IN WITNESS WHEREOF, James W. Wilson, Jr., being the Declarant herein, has hereunto set his hand and seal this 3rd day of September, 1986.

James W. Wilson, Jr. (SIGNATURE ON FILE)

James W. Wilson, Jr.

DECLARANT

STATE OF ALABAMA)

MONTGOMERY COUNTY)

I, Patricia S. Williamson, (SIGNATURE ON FILE) a Notary Public in and for said County in said State, do hereby certify that James W. Wilson, Jr., whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 3rd day of September, 1986.

Patricia S. Williamson (SIGNATURE ON FILE)

Notary Public, Montgomery County Alabama

My Commission Expires: 11/14/87

(NOTARIAL SEAL)

THIS INSTRUMENT PREPARED BY:

PATRICIA S. WILLIAMSON

JONES, MURRAY & STEWART, P.C.

P.O. BOX 429

EXHIBIT "A"

WYNLAKES DEVELOPMENT PROPERTY

Legal description and amendments to all the lands in the Wynlakes Development since 1984 can be found in each home owners abstract.

EXHIBIT "B"

WYNLAKES COMMON AREA PROPERTY

Legal description and amendments to all common area lands in the Wynlakes Development since 1984 can be found in each home owners abstract.