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W. Hardy McCollum, Probate Judge
Tuscaloosa County, Alabama
Term/Cashier: PRO-RECORDING1/JMCATE
Tran: 980652
Probate Judge Fee \$2.00
Recording Fee - By Page Count \$135.
Source of Title \$1.00
No Tax Collected
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SOURCE OF TITLE: Deed Book 2015 Page 10477

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

**DECLARATION OF EASEMENTS, COVENANTS AND
RESTRICTIONS FOR PINNACLE PARK**

PPNR, LLC, an Alabama limited liability company (hereinafter "Developer") makes this Declaration of Easements, Covenants and Restrictions for Pinnacle Park (hereinafter "Declaration") as of this 24th day of October, 2016.

STATEMENT OF PURPOSE

A. The Developer is developing on certain real property located in the City of Tuscaloosa, Tuscaloosa County, Alabama, a townhome neighborhood development to be known as Pinnacle Park at North River or ad Pinnacle Park (hereinafter "Development"). The property to be developed and to which this Declaration applies is more particularly described in Exhibit A attached hereto (hereinafter "Property").

B. This Declaration is intended to provide for the maintenance and operation of the Development.

C. The Developer records this Declaration to establish an owner's association, to enhance community life, to institute and enforce certain covenants and restrictions, to provide for further maintenance of the community, and to allow for self-governing of the Development by its owners.

DECLARATION

The Developer is the owner of all of the Property. Developer hereby declares that the Property shall be held, developed, improved, transferred, sold, conveyed, leased, occupied and used subject to the following easements, covenants, conditions, restrictions, charges, liens and regulations, which shall run with the land and which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the Development (including any right to utilize the Common Areas), and their respective heirs, executors, administrators, personal representatives, successors and assigns.

ARTICLE I
Definitions

1.1 Assessments. "Assessments" is the collective term for the following Association charges:

(i) General Assessment. The "General Assessment" is the amount allocated among all Members to meet the Association's annual budgeted expenses.

(ii) Individual Lot Assessment. An "Individual Lot Assessment" is a charge made to a particular Owner for charges relating only to a particular Lot.

(iii) Special Assessment. A "Special Assessment" may be charged to each Lot for capital improvements or emergency expenses.

(iv) Transfer Fee Assessment. "Transfer Fee Assessment" may be imposed on transfers of Lots.

1.2 Association. "Association" means The Pinnacle Park at North River Owner's Association, Inc., an Alabama nonprofit corporation, its successors and assigns. The Association is responsible for maintaining the Development and enforcing the Declaration.

1.3 Board. "Board" is the Board of Directors of the Association.

1.4 Buildings. "Buildings" means all structures or structural improvements located on the Property.

1.5 Bylaws. "Bylaws" are the Bylaws of the Association. The form of the initial Bylaws is attached as Exhibit "C" to this Declaration.

1.6 Certificate. "Certificate" means the Certificate of Formation of the Association, which is attached as Exhibit "B" to the Declaration.

1.7 Common Areas. "Common Areas" is the real property which is or will be specifically conveyed to the Association for the common use and enjoyment of all Owners, as designated on the Plat, as defined herein. "Common Areas" also include any improvements, utilities, utility easements and other easement rights or personal property for the Owners' common use, and any other property of any type specifically designated as Common Areas on the Plat. The Common Areas may include areas dedicated to the public, to the extent that the Association agrees to maintain or is required by this Declaration to maintain such property. The Common Areas may be reconfigured, increased or decreased from time to time by the Developer, the Developer or the Association, subject to any required governmental approvals. The Association shall not be dissolved, nor shall it dispose of any Common Areas, by sale or otherwise, except to an organization conceived and established to own and maintain the Common Areas, and the conditions of a transfer shall conform to the approved site plan.

1.8 Common Expenses. "Common Expenses" means the expenses arising out of the

ownership of the Common Areas, including expenses incurred in the maintenance, administration, improvement, and repair of the Common Areas, whether incurred or estimated by the Board, for which the Owners are liable to the Association in accordance with the terms hereof.

1.9 Common Surplus. "Common Surplus" means the excess of all receipts of the Association over the amount of the Common Expenses.

1.10 Common Roads. "Common Roads" are the streets and alleys located within the Development. The Association shall be responsible for the maintenance of the Common Roads which are part of the Common Areas.

1.11 Declaration. "Declaration" is this Declaration of Easements, Covenants and Restrictions for Pinnacle Park at North River, as the same may be amended, supplemented, extended, restated or modified from time to time.

1.12 Design Review Committee. The "Design Review Committee" is the panel established to administer any future modification to any of the Buildings located in the Development.

1.13 Developer. The "Developer" is PPNR, LLC, an Alabama limited liability company, its successors and assigns.

1.14 Development. "Development" includes all of the property made subject to this Declaration.

1.15 Development Period. The Development Period begins immediately upon recording of this Declaration and continues so long as the Developer owns at least one lot in Pinnacle Park. During the Development Period, the Developer shall be exclusively entitled to take various actions and vote on all matters to be voted on by the Members of the Association and shall have the exclusive right to vote on matters before the Association, unless the Developer has informed the Association in writing that it has relinquished that right.

1.16 Lot. A "Lot" is the smallest piece of real property that may be separately conveyed. Lots are designated as numbered separately identifiable parcels on the Plat. Once improved, the Lots includes any Buildings or other permanent improvements as well as any land contained therein. A common wall can be the boundary of a Lot.

1.17 Member. Each Owner is a "Member" of the Association.

1.18 Mortgagee. A "Mortgagee" is any lender that holds a bona fide first mortgage or a purchase money junior mortgage encumbering a Lot as security for the performance of a note or similar obligation.

1.19 Owner. "Owner" is the record owner, whether one or more persons or entities, of the fee simple title to any Lot. Owners shall not include those having such interest merely as

security for the performance of an obligation nor does it include any lessees.

1.20 Plat. The "Plat" means the recorded plat of Pinnacle Park Phase 1, which plat is recorded at Plat Book 2016 Pages 120 through 124 in the Probate Office of Tuscaloosa County, Alabama, and by this reference made a part hereof. "Plat" also includes any later amendment to the recorded plat.

ARTICLE II Property Comprising the Development

2.1 Property Subject to this Declaration.

(a) Property. The property subject to this Declaration shall be known as "Pinnacle Park at North River," and shall consist of the area depicted on the Plat.

ARTICLE III Easements

3.1 Easements in Favor of the Association. The Developer hereby grants to and reserves for the Developer, the Association, and their assigns the following easements, which shall benefit the Development. The Association, acting through the Board, may in the future grant further easements across the Common Areas as it deems necessary:

(a) Utility Easements. A blanket easement upon, across, over, through, and under the Development for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable or communication lines and other equipment. By virtue of this easement, the Association and its successors or assigns may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. An easement is hereby reserved over each Lot for the purpose of placement, maintenance, repair and replacement of said utility equipment by the Developer and the Owner of the appurtenant Lot. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Lot.

(b) Easements for deviation from Plat. To the extent that any Lot which has a common wall with one or more other Lots encroaches on any contiguous Lot or Common Area, whether by reason of any deviation from the Plat and Plan, or by reason of the settling or shifting of any land or improvement, a valid easement shall exist for the encroachment and/or the maintenance of the same, so long as the encroaching Lot stands.

(c) Support Easement. Each Lot with a common wall shall have an easement of support from every other Lot which provides such support.

(d) Police Powers. A blanket easement throughout the Development for private patrol services, and for police powers and services supplied by the local, state and federal governments. The reservation of such easement does not imply or require that any such service shall be provided.

(e) Drainage. Erosion Controls. A blanket easement and right without a duty on, over, under and through the ground within the Development to inspect, maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The Association shall have the right, but not the duty, to notify affected Owners (except in an emergency) and shall have the right but not the duty to restore the affected property to its original condition as nearly as practicable. Notwithstanding the foregoing, neither the Developer nor the Association shall have the responsibility to ensure that drainage or grading of Lots is properly accomplished and it shall be the sole responsibility of the Owner to ensure that grading and drainage are in compliance with all applicable laws, codes, regulations and other requirements, including without limitation any easements for drainage.

(f) Encroachment by Common Areas. An easement for any improvements constructed in the Common Areas that encroach on any Lot, whether due to any minor deviation from the Plat or the settling or shifting of any land or improvements.

(g) Maintenance of Common Areas. To the extent reasonably necessary, an easement over any Lot for maintenance of the Common Areas.

3.2 Relationship between Lots.

(a) Intent. The design for Pinnacle Park at North River is intended to maximize land usage and sense of community by providing gracious Common Areas while offering private yards for individual use. The Association may make Rules and Regulations for maintenance and use of Common Areas and easement areas and shared improvements that shall be applied uniformly to all Lots similarly configured.

(b) Lot Lines. Lots may not be subdivided or separated into smaller Lots, or any portion of a Lot separately conveyed, except by the Developer or with the specific unanimous consent of Members of the Association including the Developer during the Development Period, along with any applicable required governmental approval. However, this shall not prohibit corrective deeds or similar corrective instruments. During the Development Period, the Developer may, acting unilaterally, redefine Lots prior to sale by dividing or combining Lots or portions of Lots and adjusting the boundary of a Lot. The Developer shall also have the right to modify subdivision plats of the Development to make adjustments to Lot boundary lines with consent only of those Owners and Mortgagees whose Lot boundaries are to be changed. The division or combination of Lots may be subject to zoning or other governmental regulation, which may require, among other things, that the number of residential units not be reduced or increased if Lots are combined or divided.

(c) Structural Common Walls. Each Owner grants to the Owner of each adjacent Lot the right and an easement to maintain and to utilize any exterior or interior wall of a Building that forms a common wall between them. A wall will be considered a common wall only if it provides structural support for the Buildings, or parts of a Building, on more than one Lot. Maintenance of the surface of the common wall shall be the sole responsibility of the Owner

whose Building faces such wall. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the common wall, the Owner damages the adjacent Owner's Lot or the wall itself. The cost of any other repairs to the common wall shall be shared equally by the adjacent Owners.

(d) Exterior Walls along a Lot Line. An exterior wall that supports the Building on only one Lot, or that encloses a courtyard on one Lot, shall not be considered a common wall. The Association may make rules and regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining owners for painting and repair and granting access over the adjoining Lot as reasonably necessary to maintain the wall. All such maintenance and repair shall be subject to approval by the Design Review Committee.

ARTICLE IV Common Areas

4.1 Title.

(a) Common Areas. The Association shall hold title to the Common Areas subject to the existing mortgage of West Alabama Bank and Trust or any later Mortgagee. For those portions of the Common Areas that consist of easements and other rights, the Association shall be the holder of those rights.

(b) Additional Common Areas. The Developer may convey by deed or lease to the Association additional Common Areas that the Association shall accept for maintenance.

4.2 Maintenance; Capital Improvements.

(a) Generally. The Association shall be responsible for the management, control and improvement of the Common Areas and shall keep the Common Areas and other approved property attractive, clean and in good repair. In addition, the Association shall maintain any undeveloped land in the Development. The

(b) Capital Improvements. Subject to design review, the Association may make capital improvements to the Common Areas and may modify the uses of the Common Areas. For example, the Association may add new recreational facilities (which improvements must be approved by the Design Review Committee). Expenses for substantial capital improvements must be approved in accordance with Section 8.6.

4.3 Owners' Easements of Access and Enjoyment.

(a) Common Areas. The Developer hereby grants and conveys to every Owner a right and easement of appropriate use and enjoyment of the Common Areas, subject to the Association's right of regulation in accordance with this Declaration and the Developer's right to use the Common Areas as provided in Section 4.4 (c), and, subject also to any limitations

contained in the conveyance of those Common Areas to the Association. Without limiting and notwithstanding the foregoing, the use of certain Common Areas may be restricted to certain Owners including without limitation restriction of use by tenants, or may be conditioned on payment of a fee or other charge. The Association or Developer prohibit use of the Common Areas by any Owner who is in default on any Assessment due the Association. These easements granted herein shall be appurtenant to and shall pass with title to every Lot.

(b) Tenants. Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and any Rules and Regulations passed by the Board, his right to enjoyment of the Common Areas to the members of his family, his tenants or his guests who reside at the Lot or are accompanied by the Owner. The Association may adopt rules to prohibit or restrict use of the Common Area recreational facilities by a non-resident Owner whose residential unit has been leased to a tenant, except when the Owner is a bona fide guest of the tenant. In addition to any other restriction, the Association may limit the number of guests entitled to use of the Common Areas at any one time.

4.4 Use of Common Areas.

(a) Members' Benefit. The Association shall maintain the Common Areas for the benefit of its Members. The Association may permit limited use and access to all or a portion of the Common Areas that are not dedicated to the public, and may sell club memberships or impose fees applicable to certain portions of the facilities in the Common Areas. Any such revenue shall benefit the Association.

(b) Non-Members. Use of all or any portion of the Common Areas may be extended to non-Members, with or without memberships or fees. The nature and extent of such use and the imposition of fees, memberships or charges, if any, shall be determined by the Developer or by the Board after the Development period. Any excess revenue received from such use shall benefit the Association.

(c) Open-Air Market and Festivals. The Developer reserves, for itself or its successors and assigns, the right to use portions of the Common Areas as an open-air market for the rental of space for pushcarts, kiosks, stands or similar temporary sales structures. Such uses may be for special events or on a recurring or daily basis. Developer also reserves, for itself and its successors and assigns, (i) the right to use portions of the Common Areas for festivals or other events intended to benefit the marketing and sale of remaining lots or existing homes and (ii) the right to use portions of the Common Areas for festivals or other events intended to enrich and enliven the community. Developer further reserves a right of access through the Common Areas for all such purposes. Developer may, but is not obligated to, assign such rights to the Association at any time.

(d) No Commercial Use. Except as specifically permitted by this Declaration, including without limitation the provisions of Section 4.4(c), there shall be no commercial use of the Common Areas, nor shall the Common Areas be subdivided or sold. Use. Common Areas that are open spaces may be used for resource protection purposes, passive or active recreational purposes, or for incidental utility uses. Open space areas shall not be occupied by non-

recreational buildings, parking areas, streets, or street rights-of-way.

(e) Pool and Pavilion. The Pool and Pavilion are part of the Common Areas. The Developer or the Board after the end of the Development Period may establish such Rules and Regulation as are necessary for the safe enjoyment of these facilities.

4.5 Common Road Regulation. To the extent permitted by the City of Tuscaloosa, the Association may make rules and regulations concerning driving and parking within the Development, and may construct traffic calming devices in its discretion, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. To the extent permitted by the City of Tuscaloosa, the Association may enforce any violation in accordance with Section 10.8 and may tow offenders.

4.6 Surface Water or Stormwater Management System. The Association shall have the power but not the duty to maintain proper drainage within the Development. In the exercise of this power, the Association shall have a blanket easement and right on, over, under and through the ground within the Development to maintain and to correct drainage of surface water. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. Nothing herein shall make the Association or the Developer liable to any Lot Owner or third party for the failure to maintain proper drainage within the Development.

4.7 Damage or Destruction of Common Areas by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his or her family damages any of the Common Areas as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Lot Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

4.8 Limitation of Liability. The Association shall use reasonable judgment in providing any security, maintaining the Common Areas, enforcing any traffic control measures and managing erosion and drainage but neither the Association nor the Developer makes any representation or assumes any liability for any loss or injury as a result of the exercise of such judgment.

4.9 Limitation on use of Common Areas. The Developer or the Board may prohibit any Owner or his or her guests or tenants from using any of the Common Areas if such Owner is in default on the payment of any Assessment due the Association.

ARTICLE V: Community Planning and Administration

5.1 Design Review Committee. The Design Review Committee ("DRC") is a

committee appointed by and reporting to the Developer or Association which shall manage any changes or modifications to the Development. No changes will be permitted unless the DRC first approves of such changes. During the Development Period, the Developer, at its discretion, may but is not required to serve on the DRC. During the Development Period, the Developer may choose to be the only member of the DRC and shall have the right to overrule any recommendation of the DRC. After the Development Period, the Association shall select at least three (3) and not more than five (5) persons to serve on the DRC. All members shall be Owners and Members of the Association.

5.2 Community Guidelines. The Developer or the Association may prepare Community Guidelines, which shall guide the DRC in determining whether to permit changes or modifications to the development. These guidelines shall be an integral part of decision making process of the DRC, and may be fully enforceable by the DRC.

ARTICLE VI: Owners' Association

6.1 Duties. The Association shall maintain, repair and replace the Common Areas and all undeveloped land in the Development, shall enforce the terms of this Declaration, and shall perform all other duties required by this Declaration or by Alabama law, by the City of Tuscaloosa and by any other governmental entities having jurisdiction over the Association.

6.2 Additional Powers. To the extent permitted by governmental authorities, the Association may, but is not obligated to, provide the following services or engage in the following activities:

- (a) water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable television or communication lines and other utility services; supply of irrigation water, garbage and trash collection and disposal; laundry equipment or services;
- (b) insect and pest control; improvement of vegetation and wildlife conditions; forestry management, pollution and erosion controls;
- (c) emergency rescue, evacuation or safety equipment; fire protection and prevention; lighting of Common Roads that are not dedicated roads; restricted or guarded entrances, traffic and parking regulation and security patrols within the Development;
- (d) transportation; day care and child care services; landscape maintenance; recreation, sports, craft and cultural programs; and newsletters or other information services;
- (e) maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Development, including all undeveloped areas, if its deterioration would affect the appearance of or access to the Development;

(f) ownership, operation and maintenance of a community computer network or intranet, including without limitation computer systems, software and contracted internet services, to be made available to Members and such other persons or entities as the Board may deem appropriate and subject to such agreements or restrictions as the Board may impose; and

(g) any other service allowed by law to be provided by a homeowners' association organized under Alabama law.

The Board may, by majority vote, initiate or terminate any of the above services, which shall take effect sixty (60) days after notice to the Members, except in an emergency, or if a different time is established by the members at the time of the vote. As determined by the Board depending upon the nature of the service, such additional services may be part of the common expenses of the Association, may be assessed as Individual Lot Assessments to affected Lots, or may be provided on a fee-for-service or other reasonable basis. If requested by petitions signed by at least ten percent (10%) of the Members, a Meeting may be called and, if a quorum is present, the Board's action to initiate or terminate an additional service under this Section 6.2 shall be repealed by majority vote of the Members. Upon such repeal, the Board may not reinstitute or terminate the service for three (3) years unless also approved by majority vote of the Members. Notwithstanding the foregoing, the Board's decision to allow non-Members to use Common Areas, including without limitation recreational facilities, shall not be subject to the foregoing repeal procedure.

6.3 Contracts. The Association may contract with any party, including the Developer, for the performance of all or any portion of the management of the Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessments, Special Assessments or Individual Lot Assessments as applicable. The Association may require that certain Owners contract for certain routine yard maintenance, in order to provide a uniform level of care. The Association also may, but is not obligated to, act as agent for an Owner, if so requested by that Owner, to contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Lot Assessment. The terms and conditions of all such contracts shall be at the discretion of the Board.

6.4 Membership. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to any Lot.

6.5 Allocation of Voting Interests. Subject to the rights reserved to Developer during the Development Period, herein and in the Certificate and Bylaws (which, among other things, provide that only Developer, during the Development Period, shall be exclusively entitled to take various actions and vote on all matters to be voted on by the members of the Association), each Member shall have one vote.

6.6 Exercise of Vote. When more than one person holds an interest in any Lot, all such persons shall be Members. However, the number of votes for that Lot shall not be increased, and the Members must determine among themselves how the Lot's vote may be exercised. Corporations, partnerships and other entities shall notify the Association of the natural

person who shall exercise its vote. To the greatest extent permitted by law, the Association may institute voting by electronic or other means.

6.7 Election of Board of Directors.

(a) Procedure. Elections shall be conducted in accordance with the Bylaws and procedures established by then current Board.

(b) Initial Selection by Developer. The Developer shall appoint and remove the initial officers and members of the Board and may elect a majority of the Board until the earlier of (i) the time required by any Alabama state law or (ii) the termination of the Development Period or (iii) the developer relinquishes this right by written instrument.

6.8 Compensation for Directors. The Board shall set a reasonable compensation for directors, including any directors appointed by the Developer during the Development Period. Such compensation shall be in accord with amounts generally paid in this area for such services. The directors shall be reimbursed for any expenses they incur.

6.9 Additional Provisions. Additional provisions concerning the operation of the Association and the Board are contained in the Certificate and Bylaws.

6.10 Rules and Regulations. The Developer during the Development Period and the Board may establish and enforce reasonable Rules and Regulations governing the use of all Lots and Common Areas. Without limiting the foregoing, the Board may adopt Rules and Regulations which shall govern the use of any of the Common Areas (including, specifically, the use of any of the recreational facilities, if any, situated within the Common Areas), the enforcement of all of the terms and provisions of this Declaration, and any Rules and Regulations adopted by the Board and such other matters, including, without limitation, the limitation, restriction or prohibition of application of fertilizers, pesticides, and other chemicals within the Development. Any such Rules and Regulations shall be binding upon all Owners and occupants until and unless such Rule or Regulation is specifically overruled, canceled or modified by the Board or by the majority vote of the total votes of the Association at any regular or special meeting of the Association; provided, however, that no such rules or regulations may be overruled, canceled or modified unless such action is also approved by Developer during the Development Period.

6.11 Exterior Maintenance. Unless the Board determines otherwise, the exterior wall surfaces and exterior trim of Buildings shall be maintained by the Association. Such maintenance shall include repair and replacement as necessary, and painting, pressure washing or other cleaning as determined by the Board. The Board shall have the sole discretion in determining when such maintenance is necessary and may make rules determining which portions of the building shall be maintained by the Association and which portions shall be maintained by the Owner.

**ARTICLE VII:
Decision Making**

7.1 Development Meeting.

(a) When called. After the Development Period, a Meeting shall be called annually for the election of Members of the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members. As a convenient reference and not as a limitation, actions requiring a vote of the Members, or assent in writing, include the following:

Repeal of Additional Services	Section 6.2
Election of the Board of Directors	Section 6.7
Approval of General Assessments	Section 8.4
Ratification of expenditures for capital improvements	Section 8.6
Repeal of Rules and Regulations adopted by the Board	Section 10.7
Amendment of Declaration	Section 13.1
Dedication of the Commons	Section 13.2
Termination of the Declaration	Section 13.4

Before the termination of the Development Period, the Developer shall appoint the Board and shall decide the above and all other matters related to the operation of the Association.

(b) Quorum. Voting at a Meeting requires presence of Members representing the percentage of votes necessary to transact business. The necessary percentage is determined by the Bylaws, and if permitted by the Bylaws and by statute, the Board may revise this percentage from time to time.

(c) Notice. Notice of the meeting must be given to Members in accordance with Section 15.4 ("Notices") and in accordance with the Bylaws. Notice of meetings shall also be posted in at least one place within the Commons.

(d) Proxies; Electronic Voting. To the extent allowed by the Bylaws and statute, proxies and limited proxies may be used to establish a quorum and for voting purposes. To the extent allowed by law and in accordance with procedure that may be adopted in the Bylaws, a quorum may be evidenced, and votes may be cast, by electronic means.

7.2 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of directors) by a written vote conducted by mail, by written mailed ballot, by electronic ballot, or by written consent without a meeting. Notice may be waived in the event of an emergency. Voting or consents shall be in accordance with the Bylaws and statute. Wherever used in this Article, "electronic means" or "electronic ballot" shall specifically include e-mail and, upon approval of the Board, other similar means of communication that may be developed in the future.

7.3 Board Meetings.

(a) Board's Responsibility. Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the

authority to act on behalf of the Association and to make all decisions necessary for the operation of the Association, the enforcement of this Declaration and the care of the Commons.

(b) **Quorum.** Voting at a Board meeting requires presence of at least one-half (1/2) of the directors, in person or by telephone conference or, if allowed by law, by proxy. If permitted by law, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board. With the approval of all directors, meetings may be conducted by electronic means.

7.4 Record Keeping. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

7.5 Approval. Wherever used in this Declaration, approval by a majority or other proportion of the Members refers to a vote in accordance with this Article, either at a properly called Meeting or through a voting procedure established under Section 7.2. Where the Declaration specifies consent in writing, or request in writing, by a majority or other proportion of all Members, then the necessary number is based on the number of votes represented by the total Membership of the Association and signatures may be collected without a Meeting or other voting procedure.

7.6 Developer Excused from Procedures Set Forth Herein. During the Development Period, the Developer shall not be required to adhere to the requirements of this Article VII.

ARTICLE VIII: Association Budget

8.1 Fiscal Year. The fiscal year of the Association shall begin January 1 of each year and end on December 31 of that year, unless the Board selects a different fiscal year.

8.2 Budget Items. The budget shall estimate total expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums both for the Buildings and for the Common Areas, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Association and for reserves. If the Common Areas are taxed separately from the Lots, the Association shall include such taxes as part of the budget. Fees for professional management of the Association, accounting services, legal counsel and other professional services may also be included in the budget.

8.3 Reserves. The Association shall build up and maintain reserves for working

capital, contingencies and replacement, and for long term maintenance costs such as road maintenance, which reserves shall be included in the budget and collected as part of the annual General Assessment. Extraordinary expenses not originally included in the annual budget that may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's Assessment, the Board may at any time levy an emergency Assessment in accordance with the provisions of Section 9.3 ("Special Assessment"). If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a pro rata basis to all Members who are current in payment of all Assessments due the Association, or may be used to reduce the following year's Assessments, at the Board's discretion.

8.4 Preparation and Approval of Annual Budget.

(a) Initial Budget. The Developer shall determine the budget for the fiscal year in which a Lot is first conveyed to an Owner other than the Developer.

(b) Subsequent Years. During the Development Period, the Developer or the Board shall adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. This shall be done at least one (1) month before the end of the fiscal year. A copy of the proposed budget shall be sent to the each of the Members at least two (2) weeks before the end of the fiscal year.

8.5 Effect of Failure to Prepare or Adopt Budget. The Developer or the Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual Association budget, each Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

8.6 Capital Improvements. Any substantial capital improvement to the Common Areas approved by the Board must be ratified by a majority of the Members. If the substantial capital improvement is approved by the Members, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Association of the improvement is more than twenty percent (20%) of the Association's annual budget, or if all capital improvements for the fiscal year taken together total more than thirty percent (30%) of the Association's annual budget. However, any repair or replacement of existing improvements shall not be considered a capital improvement. Approval of the Design Review Committee is required for all capital improvements.

8.7 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

**ARTICLE IX:
Covenants for Maintenance Assessments**

9.1 Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following Assessments:

- (a) General Assessments for expenses included in the budget;
- (b) Special Assessments for the purposes provided in this Declaration; and
- (c) Individual Lot Assessments for any charges particular to that Lot;

together with a late fee and interest, as established by the Board from time to time, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought. Upon default in the payment of any one or more installments, the Board may accelerate the entire balance of such Assessment, which shall be declared due and payable in full.

9.2 Initial Assessments. At the time of the initial purchase of any Lot from the Developer, the purchaser shall pay an Initial Assessment to the Association in the amount of the sum that equals three (3) months of the General Assessment. The Initial Assessment shall be collected at the time title to the Lot is conveyed to the Owner.

9.3 General Assessments

(a) Establishment by Board. The Board (or the Developer during the Development Period) shall set the date or dates such Assessments become due and may provide for collection of Assessments annually or in monthly, quarterly or semiannual installments.

(b) Date of Commencement. The General Assessments shall begin on the day of conveyance of Lot to an Owner other than the Developer.

9.4 Special Assessment. In addition to the General Assessment, the Board may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four (4) succeeding years as follows:

(a) Capital Improvements. Any substantial capital improvement that has been approved in accordance with Section 8.6 ("Capital Improvements") or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

(b) Emergency Assessment. By a two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration or the law requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated

increases in the amounts budgeted).

9.5 Individual Lot Assessments. The Association may levy at any time an Individual Lot Assessment against a particular Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot, or for any other purpose permitted herein.

9.6 Effect of Nonpayment of Assessment; Remedies

(a) Personal Obligation. All Assessments, together with any late fee, interest and costs of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charge"), shall be the personal obligation of the person or entity who was the Owner of the Lot at the time the Assessment was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Lot.

(b) Creation of Lien. The Assessment Charge shall also be charged on the land and shall be a continuing lien upon the Lot against which the Assessment Charge is made, which may be enforced upon recording of a claim of lien. This lien, in favor of the Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Lot shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed. The lien established by this Section 9.7(b) shall be subordinate to any first priority mortgage placed on any Lot from time to time or to any second mortgage that is a purchase money mortgage.

(c) Suit for Payment: Foreclosure of Lien. The Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The Association may foreclose on such lien by means of judicial or nonjudicial foreclosure under the laws of the State of Alabama without notice except as required by law, and may credit against its bid at any foreclosure sale any amounts due hereunder. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.

(d) Other Remedies. The Association shall have the right to assess fines and suspend the voting rights and right to use of the Common Areas by an Owner for any period during which any Assessment against his Lot remains unpaid.

9.7 Certificate of Payment. The treasurer of the Association, upon request of any Owner and upon payment of reasonable charges, shall furnish a certificate signed by a member of the Board stating whether any Assessments are paid to date by that Owner. Such certificate, when co-signed by the secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any Assessment therein stated to have been paid.

9.8 Developer Excluded From Assessments. During the Development Period, the

Developer shall not be required to pay assessments for any lots it may own provided, however, that the Developer shall guarantee that all common expenses shall be paid during the Development period regardless of whether there are sufficient funds held by the Association to pay for such expenses.

**ARTICLE X:
Use and Architectural Restrictions**

10.1. Use Restrictions. Except as otherwise provided to the contrary in this Declaration, each Lot shall be used for single-family residential purposes only and no trade or business of any kind may be carried on in or from any Lot. The use of any portion of a Dwelling as an office by an Owner shall not be considered a violation of this covenant if such use does not create regular customer, client or employee traffic. The leasing or rental of a dwelling for residential purposes only shall not be considered a violation of this covenant so long as the lease (a) is for not less than the entire Dwelling, (b) is for a term of at least six (6) months and (c) is otherwise in compliance with the Rules and Regulations promulgated and published from the time to time by the Association; provided, however, that Developer shall have the perpetual right to designate from time to time any dwelling owned by Developer, its successors and assigns, which may be leased for such periods of time as Developer may determine. Notwithstanding anything provided in this Section to the contrary, the Developer, during the Development Period, may use any Lot for any of the uses in the definition of Common Areas.

10.2. Underground Utilities. All residential utility lines, pipes, conduits and wiring for electrical, gas, telephone, water, sewer, cable television, security and any other utility service for any portion of the Property shall be installed and maintained below ground, subject, however, to existing easements and rights of way, as shown in the Plat and the Record.

10.3 Building Setbacks.

(a) Subject to the provisions of this Section and the following Section below, minimum building setback lines for all Buildings shall be established by the Recorded Plat.

(b) No improvements shall be built within the setback areas established in accordance with the Plat without the written consent and approval of the DRC and any adjoining Owners. Upon such approval, DRC has the authority to set forth the easement and use restrictions for any improvements permitted within any set back area. All eaves, steps, stoops, porches, terraces, decks, patios, fireplaces/chimneys and Courtyards shall not be deemed a part of the Building for the purposes of determining building setback areas but no such improvements may be added to the original structure without the written approval of the DRC.

10.4. Trees. In no event shall an Owner, other than Developer, cut, remove, or mutilate any tree, shrub, bush or other vegetation without first obtaining prior written approval from the DRC.

10.5 Roofing.

(a) The DRC (or Developer during the Development Period) shall have the right to establish specific requirements for the pitch and color of any roof and the type of roofing materials which may be utilized for any Dwelling.

(b) No solar or other energy collection panel, equipment or device shall be installed or maintained on any Building Lot unless approved by the DRC.

10.6 Exterior Lighting. Any revision to any exterior lighting for any Building, including, without limitation, free standing lighting and utility (e.g., flood) lights attached to a Building, must be approved by the DRC.

10.7 Exterior Materials and Finishes. Any revisions to the exterior building finish finishes for any Building must be approved by the DRC. This includes all exterior colors. No concrete, concrete block or cinder block shall be used as an exposed building surface. Metal flashing valleys, vents, and gutters installed on a Building shall be painted to blend with the color of the exterior materials to which it is adhered or installed.

10.8 Garages. Parking.

All automobiles owned or used by the Owner of any Lot and their respective family members shall be parked in garages to the extent garage space is available. Garages shall not be used for storage or for any other purposes or uses which would result in the garage being unavailable for the parking of vehicles therein. Only one vehicle per unit may be parked on any curb.

10.9 Fences. No chain link, or wire fences shall be permitted, unless erected by the Developer. No fences shall be allowed in front yards. Electric fences shall not be permitted, except for invisible fences used for pets. The type of materials utilized for all added fences (including the color thereof) and the location of all fences shall be subject to approval by the DRC. Owners shall be responsible for maintaining their fence. The expense of maintaining any shared fence shall be the shared responsibility of all Owners sharing the fence,

10.10 Windows, Window Treatments and Doors.

(a) Reflective glass shall not be permitted on the exterior of any Building unless erected by the Developer. No foil or other reflective materials shall be installed on any windows or used for sunscreens, blinds, shades or other purposes.

(b) No aluminum or metal windows shall be utilized on the front or sides of any dwelling. Cantilevered bay windows must be approved by the DRC (which may require additional landscaping in front of such bay windows). Burglar bars or doors (including wrought iron doors) shall not be permitted.

(c) Appropriate window treatments shall be used on all windows. Sheets, bed linens, blankets and paper or plastic bags are not appropriate window treatments.

10.11 Utility Meters and HVAC Equipment. All electrical, telephone and cable television and other utility meters (other than gas and water meters which may be located at the front of a Dwelling) shall be located at the rear of all Buildings, unless approved by the DRC. All exterior heating, ventilating and air conditioning compressor units and equipment shall be located, to the extent practicable, at the rear of a Building and, if the same are visible from the street, such compressor units and equipment shall be screened from public view by either walls or landscaping to be approved by the DRC. No window mounted heating or air conditioning units or window fans shall be permitted unless approved by the DRC.

10.12 Satellite Dishes and Antennae. No satellite dishes shall be allowed on any Lot without the approval of the DRC, which shall govern the location of same. No radio or television signals or any other form of electromagnetic radiation or transmission shall be permitted to originate from any Lot which may interfere with the reception of radio or television signals within the Development; provided, however, that Developer or the Association shall not be prohibited from installing and operating any equipment necessary for master antenna cable television, security, mobile radio or similar systems within the Development which, in the case of installation or erection by the Association, must also be prior approved by the DRC.

10.13 Driveways; Walkways. Except as installed by the Developer, all driveways and walkways located on each Lot shall be constructed of materials approved by the DRC.

10.14 Outdoor Furniture, Recreational Facilities, Flags and Clotheslines.

(a) No furniture shall be placed, kept, installed, maintained or located in or on the front or side yards or other visible areas of a Lot unless approved by the DRC in accordance with its landscaping guidelines.

(b) Wood piles shall be located only at the rear of a Building and shall be screened from view by appropriate landscaping or DRC approved fencing from streets and, to the extent practicable, from adjacent Lots.

(c) Children's toys, swing sets, jungle gyms, trampolines and other outdoor recreational equipment and appurtenances shall not be permitted on any Lot unless prior approval in writing is obtained from the DRC and the same is obstructed from the view of any street by appropriate DRC approved fencing or landscaping.

(d) Free-standing playhouses and treehouses shall not be permitted unless the same are pre-approved in writing by the DRC and are obstructed from the view of any street by appropriate DRC approved fencing or landscaping.

(e) Basketball goals or backboards shall not be permitted unless the same are prior approved by the DRC.

(f) Outside clotheslines or other outside facilities for drying or airing clothes shall be prohibited. No clothing, rugs or other items shall be hung, placed or allowed to remain on any railing, fence or wall.

(g) No flags may be flown or from the front of any Building.

(h) Unless otherwise approved by DRC, barbecue grills or other types of outdoor cooking equipment and apparatus shall be located only at the rear of a Building in an area where they are not visible from any street.

(i) Bird feeders, wood carvings, plaques and other types of home crafts shall not be permitted in the front or side yards of any Lot nor shall any of the foregoing items be attached to the front or side of any Building.

10.15 Pets and Animals. No animals, livestock, reptiles, birds or poultry of any kind shall be kept, raised or bred by any Owner upon any Lot or other portion of the Property; provided, however, that not more than a combination of two (2) dogs or cats may be kept and maintained in accordance with other applicable provisions of this Declaration so long as they are not kept for breeding or commercial purposes. The Association has the right to outlaw vicious breeds or to force an owner to get rid of a vicious dog, regardless of the breed. No pet shall be allowed to make an unreasonable amount of noise or become a nuisance. No structure or area for the care, housing or confinement of any pet shall be constructed or maintained on any part of the Common Areas. Further, all such structures or areas shall only be located at the rear of a Building, shall not be visible from any street and shall be constructed of materials and of a size approved by the DRC. Dogs and cats shall not be allowed to roam unattended within the Development. All dogs shall be kept and maintained within fenced or walled areas on a Lot, as approved by the DRC, or otherwise under leash and accompanied by the dog's owner or other attendant. Invisible fences may be used but they must keep the pet confined. Flags used as part of the training are to be removed as quickly as possible. Pets shall not be permitted to leave excrement anywhere within the Development and the Owner of such pet shall immediately remove the same. Each Owner shall be liable to the Association for the costs of repairing any damage to the Common Areas caused by their pet. The Board shall have the right from time to time to promulgate Rules and Regulations governing the keeping of pets within the Development including the right to assess fines for violations of such Rules and Regulations.

10.16 Trash, Rubbish and Nuisances.

(a) The City of Tuscaloosa will collect trash in accordance with its policies and procedures. In order for the City to do so, each person who purchases a lot agrees to execute a City of Tuscaloosa Environmental Services Department Right-of-Entry Permit and Hold Harmless Indemnification Agreement, if required by the City of Tuscaloosa, or any similar form that may be required by the City.

(b) No trash, garbage, rubbish or debris of any kind shall be dumped, placed or permitted to accumulate on any portion of the Development nor shall any nuisance odors be permitted to exist or operate upon or arise from any Lot which would render any portion thereof unsanitary, unsightly, offensive or detrimental to other persons. Noxious or offensive activities shall not be carried on in or from any Lot or Dwelling or in any part of the Common Areas, and each Owner shall refrain from any act or use of a Lot or Dwelling which could cause disorderly,

unsightly or unkept conditions, result in the cancellation of or increase in insurance coverage or premiums for any portion of the Development or be in violation of any law, statute, ordinance, rule, regulation or requirement of any Governmental Authority. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices, other than security and fire alarm devices used exclusively for such purposes and speakers used for entertainment systems, shall be located, used or placed upon any Lot; provided, however, that the foregoing shall not apply to Developer (or its specific designees) or to the use of the foregoing devices within any recreational areas of the Common Areas. Any Owner who dumps, places or allows trash or debris to accumulate on his Lot, or on any other portion of the Development shall be liable to the Association for all costs incurred by the Association to remove the same.

(c) Trash, garbage and any other refuse or waste shall not be kept on any except in sanitary containers or garbage compactor units. Trash cans and containers shall at all times be kept at the rear of a Lot and shall be screened from view from streets and adjacent Lots and Dwellings by appropriate landscaping or fencing approved by the DRC; provided, however, that trash cans and containers can be moved to the side yard on trash collection days for such Lot.

(d) Except as otherwise provided below, no outdoor burning of trash, garbage, leaves, wood, shrubbery or other materials shall be permitted on any Lot or Dwelling or other portion of the Property.

10.17 Recreational Vehicles and Machinery and Equipment.

(a) Mobile homes, motor homes, trailers, campers, vans, motorcycles, bicycles, motorized carts and all-terrain vehicles, lawnmowers, tractors, tools, construction machinery and equipment of any nature, golf carts, boats and any other type of watercraft, including boat trailers, and any other similar types of non-passenger vehicles, machinery or equipment (i) shall not be parked on the street at any time and (ii) the Common Areas shall not, unless expressly permitted by the Association, be utilized for the parking or storage of any of the foregoing vehicles, recreational vehicles, machinery or equipment.

(b) The parking of vehicles in the Development (both on and off the Street Area) shall be governed by the Rules and Regulations in effect with respect to the same from time to time.

(c) Any vehicle which is inoperable shall be immediately removed from the Property. No Owner or Occupant shall repair or restore any vehicle, machinery or equipment of any kind upon or within any Lot or Dwelling or within any portion of the Common Areas, except (i) within enclosed garages or workshops or (ii) for emergency repairs and then only to the extent necessary to enable the immediate movement thereof to a proper repair facility located outside of the Development.

(d) The Board shall have the right at any time and from time to time to adopt Rules and Regulations with respect to the keeping, storage, parking, operation, use or maintenance of, mobile homes, tractors, equipment, machinery, trailers (with or without wheels), motorhomes, trucks (other than pick-up trucks), commercial vehicles of any type, campers, motorized campers

or trailers, boats or other watercraft, boat trailers, motorcycles, motorized bicycles, all-terrain vehicles, motorized go-carts and other forms of transportation.

(e) Discharge of firearms is prohibited; provided, that neither the Developer nor the Board shall have any obligation to take action to prevent or stop such discharge.

10.18 Signage. No signs or advertising posters of any kind shall be maintained or permitted within any windows or on the exterior of any Lot. The approval of any signs and posters, including, without limitation, political campaign signs and name and address signs, shall be upon such conditions as may from time to time be determined by the DRC. Notwithstanding the foregoing, the restrictions set forth in this Section shall not be applicable to Developer (or its specific designees). Developer and the Association shall have the right, but not the obligation, to erect and maintain reasonable and appropriate signs on any portions of the Common Areas and within those easement areas established above.

10.19 Above Ground Tanks and Wells. No exposed above-ground tanks for the storage of fuel, water or any other substances shall be located on any Lot or Dwelling, or within any of the Common Areas.

10.20 Temporary Structures. No temporary house, trailer, shack, tent, barn, shed, stable, poultry house or yard, rabbit hut, treehouse or other outbuilding or structure of any kind, shall be permitted, constructed, installed or allowed to remain on any Lot or Dwelling; provided, however, that the foregoing shall not be deemed to prohibit (a) temporary structures for social functions as may be permitted by the Rules and Regulations of the Board of the Association.

10.21 Subdivision and Interval Ownership. No Lot may be subdivided or re-subdivided so as to create a smaller lot without the prior written approval of the DRC; provided, however that the provisions of this Section shall not be applicable to Developer during the Development Period. No Lot or Dwelling shall be sold or owned under any time-sharing, time-interval or similar right-to-use programs.

10.22 Soliciting. The Association may regulate or prohibit soliciting within the Development.

10.23 Rules and Regulations.

(a) Generally. The Association, or the Developer during the Development Period, may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Lots and Common Areas (the "Rules and Regulations"). This right shall include without limitation the right to approve rental agents, contractors and sub-contractors who do business within the Development.

(b) Effect. Any Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. After the end of the Development Period, if requested by at least ten percent (10%) of the Members, an Association Meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members.

(c) Notice. A copy of the Rules and Regulations adopted from time to time shall be maintained and posted in a reasonably accessible place within the Development, made available in the office of Developer or the Association, or furnished to each Owner.

10.24 Enforcement.

(a) Owner's Responsibility. Each Owner and Owner's family members, guests and tenants shall conform to and abide by the covenants contained in this Declaration and any Rules and Regulations that may be adopted from time to time by the Association. Each Owner shall be responsible for assuring such compliance and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

(b) Notice, Hearing and Fines. Any Owner who is believed to be in violation of this Declaration or the Rules and Regulations shall be given notice and an opportunity to be heard. After such hearing, the Association shall have the right to assess fines, up to the maximum allowed by law and may restrict the Owner's use of the Commons for up to sixty (60) days or until remedied, whichever is longer. However, the primary goal of this provision is not to punish but to conciliate and resolve problems. The Association may suggest or approve agreements and waive the requirement of paying a fine if the agreement is honored. Fines shall be charged against the Lot as an Individual Lot Assessment. Any fines collected shall be contributed to the general fund of the Association.

(c) Tenant Violations. If a tenant is believed to be in violation of the Declaration or Rules and Regulations, the Association shall notify the Owner and tenant and provide an opportunity for hearing. If the Association determines after notice and opportunity for hearing that a tenant has violated this Declaration or Rules and Regulations, the Association may assess fines against the Owner as provided in paragraph (b). In addition, if the violation continues for ten (10) days after notice to the Owner of the findings, or if the tenant materially violates either this Declaration or the Rules and Regulations more than once in any one-year period, the Association shall have the right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Lot Assessment. Any lease provision that is inconsistent with the provisions of this Section shall be deemed void and is subordinate to this Declaration.

(d) Corrective Action for Lot Maintenance. If the Association determines after notice and opportunity for hearing that any Owner has failed to maintain any part of the Lot in a clean, attractive and safe manner, in accordance with the provisions of this Declaration and applicable Rules and Regulations, the Association shall notify the Owner of its findings and may assess fines as provided in paragraph (b). If the violation continues for ten (10) days after notice to the Owner, the Association shall have the right without liability to enter upon such Lot to correct, repair, restore, paint and maintain any part of such Lot and to have any objectionable items removed from the Lot. The Association may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs and fees, including without limitation reasonable attorneys fees, related to such action shall be assessed to the Owner as an Individual Lot Assessment. Pets. After notice and opportunity for hearing, the Association may find that a pet causes an unsafe condition or unreasonable disturbance or annoyance and may require the Owner or tenant to take steps to cure or limit the offensive condition. If such steps are ineffective, if the Owner or tenant fails to cooperate or if the pet is considered to create an unsafe condition, the Association may require that an Owner or tenant permanently remove the pet from the Development.

(e) Covenants' Committee. The Association may appoint a Covenants' Committee composed of Owners to hear violations of the Declaration or Rules and Regulations and to recommend or impose fines or take any other enforcement action under this Section 10.28.

(f) Additional Remedies. All remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 14.3 ("Enforcement of the Declaration").

ARTICLE XI Insurance

11.1 Review of Coverage. The Board shall review limits of coverage for each type of insurance at least once each year.

11.2 Building Insurance. The Board shall secure and maintain in effect a policy of property damage insuring the Buildings against fire and other casualty damage providing full replacement value coverage for the Buildings. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Common Areas. The policy will not cover improvements and betterments of Buildings made by Owners, but will cover the Building as delivered by the Developer and will cover any improvements, fixtures and personal property included in the Common Areas. The policy shall include an "Agreed Amount Endorsement" or its equivalent, if available, or an "Inflation Guard Endorsement," if available. Such coverage shall afford protection against risks as are covered by an all-risk form and other risks which from time to time shall be customarily covered with respect to condominium buildings similar in construction, location and use as the Buildings. The Developer recommends that all Owners purchase their own insurance to insure their contents and any improvements they may make to their Building.

11.3 Casualty Insurance. The Board shall obtain and maintain casualty insurance on the Common Areas. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Common Areas.

11.4 Public Liability. The Board shall obtain public liability insurance in the minimum amount of \$1,000,000.00 or in such additional limits as the Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Buildings and Common Areas and any topographic conditions or water access located on or adjoining the Development. At the Board's discretion, such coverage may include easements, such as walkways, that benefit the Association. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of

negligent acts of the Association, the Board or other Owners.

11.5 Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by Members of the Board and advisory members in the performance of their duties. Such insurance shall be of the type and amount determined by the Board in its discretion.

11.6 Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Board may determine or as may be requested from time to time by a majority vote of the Members.

11.7 Individual Coverage. Each Owner may obtain casualty insurance for improvements on his or her Lot and may elect to obtain liability insurance.

11.8 Payment of Premiums. Premiums for insurance maintained by the Association shall be paid by the Association and shall be included as part of the General Assessments. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the holder of any mortgage, said mortgage holder shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance. To the extent of any money so advanced, said mortgage holder shall be subrogated to the Assessment and lien rights of the Association as against the individual Unit Owners for the payment of such item of Common Expense.

11.9 Repair and Reconstruction after Fire or Other Casualty.

All insurance policies purchased by the Association shall provide that all proceeds covering property losses shall be paid to the Association. The Association is hereby irrevocably appointed agent with full power of substitution, for each Owner. The Association shall have power to adjust all claims arising under insurance policies purchased by the Association; to bring suit thereon in its name and/or in the name of other insureds; to deliver releases on payments of claims; to compromise and settle such claims; and otherwise to exercise all of the rights, powers, and privileges of the Association and each Unit Owner or any other holder of an insured interest in the Property under such insurance policies. However, the actions of the Association shall be subject to the approval of any applicable mortgage holder if the claim shall involve more than one Unit, and if only one Unit is involved, such actions shall be subject to the approval of any Mortgagee holding a mortgage encumbering such Unit.

The Association shall receive such insurance proceeds as are paid to it and shall hold the same in trust for the purposes stated herein and for the benefit of the Owners and their Mortgagees. If there is covered damage to a Building or Buildings, the proceeds shall be held for the Owner(s) of damaged Building(s), with the share of each in the total proceeds being in the proportion that the cost of repairing the damage suffered by such Owner bears to the total cost of repair, which costs shall be determined by the Board. If the Building(s) are not to be restored, the proceeds shall be held for the Owner(s) in undivided shares that are the same as their respective shares of the loss. All shares shall be held in trust for Mortgagee(s) of any affected Lot; pro-

vided, however, that no mortgagee shall have any right to determine or participate in the determination of whether any damaged property shall be reconstructed or repaired except as may be specifically provided to the contrary elsewhere in this Declaration.

If fire or other casualty damages or destroys a Building or any other improvements on a Lot, the Owner shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the DRC. If the Owner fails to clean and secure a Lot within thirty (30) days after a casualty, the Association may, in accordance with the provisions of Section 10.26(d) ("Corrective Action for Lot Maintenance"), remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Lot safe and attractive. The cost of such clean-up shall be assessed to the Lot Owner as an Individual Lot Assessment.

If fire or other casualty damages or destroys any of the improvements on the Common Areas, the Board shall arrange for and supervise the prompt repair and restoration of the improvements. The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

ARTICLE XII: Amendment, Redevelopment and Termination

12.1 Amendment.

(a) By Members. Subject to the rights reserved to Developer in the Certificate and Bylaws (which, among other things, provide that only Developer, during the Development Period, shall be exclusively entitled to take various actions and vote on all matters to be voted on by the Members of the Association), this Declaration may be amended at any time by an instrument signed by the president or vice president and secretary of the Association, certifying approval by Members representing sixty seven percent (67%) of the votes in the Association.

(b) By the Developer. To the extent permitted by law, the Developer specifically reserves the absolute and unconditional right to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Department of Veterans Affairs, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to clarify the Declaration's provisions or correct errors; or (iv) for any other purpose permitted herein.

(a) Limitations. Whenever any action described in this Declaration requires approval of greater than sixty seven percent (67%) of the Lot Owners, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly. Rights reserved to the Developer may not be amended without the specific consent of the Developer.

(b) Recording. Any amendment shall take effect upon recording in the public records.

(c) Supplemental Declaration. The provisions of any Supplemental Declaration shall not be deemed an amendment of this Declaration, notwithstanding any modification or addition of provisions applicable to such additional property.

12.2 Dedication.

(a) Common Roads. If any portion of the Common Roads has not previously been dedicated to the public, the Developer or Association shall have the right to convey title to or dedicate the Common Roads to the appropriate public agency or authority.

(b) Common Areas. All other Common Areas may be dedicated to the public by the Board upon consent of Owners representing sixty seven percent (67%) of the votes in the Association.

(c) Alleys; footpaths. No earlier than twenty (20) years from the recording of this Declaration, if the Association determines that it no longer wishes to maintain all or some of the alleys or footpaths between Lots, the ownership of such alleys or footpaths may be divided evenly between the adjacent Owners, with the consent in writing of Owners representing sixty-seven percent (67%) of the votes in the Association. The property shall be subject to an easement for any then-existing utilities, and an easement may be reserved for continued use of the alleys or footpaths if required by the approving Owners.

(d) Necessary Approval. Any dedication or conveyance described above is subject to acceptance by the applicable governmental agency.

12.3 Duration: Termination. The covenants and restrictions contained in this Declaration shall run with and bind the Development and shall inure to the benefit of and be enforceable by the Developer, the Association, and all Owners of property within the Development, their respective legal representatives, heirs, successors or assigns for twenty (20) years, and shall be automatically extended for three (3) succeeding ten (10) year periods unless an instrument signed by Owners representing ninety percent (90%) of the votes in the Association within the last year prior to expiration of the ten (10) year period shall have been recorded, agreeing to terminate the Declaration as of a specified date. This Declaration may also be terminated at any time by the unanimous consent in writing of all Owners.

12.4 Condemnation. If all or part of the Common Areas are taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

ARTICLE XIII: General Provisions

13.1 Interpretation.

(a) Construction. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Development as a community of the highest quality.

(b) Governmental Regulation. All provisions of this Declaration shall be subject to applicable government regulation or agreements.

13.2 Invalidity. The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.

13.3 Enforcement of Declaration.

(a) Enforcement. Without limiting any of the foregoing provisions regarding enforcement, remedies or liens, and in addition thereto, suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Declaration. To enforce this Declaration or the Rules and Regulations, the Association, the Developer or any Owner may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Association.

(c) No Waiver. Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(d) Association's Legal Fees. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Association in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, may be assessed as an Individual Lot Assessment to the Owner against whom such action was taken.

13.4 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot and, if different, to the last known address of the person who appears as Owner of the Lot as that address is stated on the records of the Association at the time of the mailing. If the Owner has given approval, notice may be given by electronic means to an address provided by the Owner.

13.5 Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

13.6 Consent of Mortgagees.

(a) When Consent Required. This Declaration contains provisions

concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Lot. Accordingly, no amendment or modification of this Declaration specifically impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of Mortgagees as provided in subsection (b). This section shall not be construed, however, as a limitation upon the rights of the Developer, the Association or the Members to make amendments that do not adversely affect the Mortgagees; however, Developer shall notify its own Mortgagee of any such amendments.

(b) Percentage Required. Wherever consent of the Mortgagees is required, it shall be sufficient to obtain the written consent of Mortgagees holding a lien on more than fifty percent (50%) or more of all Lots encumbered by a mortgage.

(e) Timely Response. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within thirty (30) calendar days of receipt of request for consent shall be deemed given.

13.7 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Alabama.

13.8 Regulation by the City of Tuscaloosa. Each Owner hereby agrees that the City of Tuscaloosa (the "City") is authorized and empowered to require the Association and each Owner, jointly and/or severally, to provide for the orderly maintenance and upkeep of the Commons. In the event that the City, or any agent thereof, determines that the Commons are being maintained in a manner that is dangerous or detrimental to the health, safety and welfare of the community, pursuant to the provisions of the Tuscaloosa Municipal Code, the City and its agents, may upon ten (10) days' notice to the Association enter upon the Commons and make any repairs or improvements to the Commons that the City and its agents deem necessary to remedy such conditions. Thereafter, the Association and each Owner shall be obligated to pay to the City its costs for all improvements, work and/or labor, supplied or furnished to the Commons. The obligation to pay said costs shall be a personal obligation of the Association and each Owner, jointly and severally. All such costs shall be paid to the City within five (5) days of receipt from the City of a statement for such costs, which receipt shall be required to be served upon the President of the Association only. All Owners hereby waive notice of receipt of said statement for such costs. In order to secure payment at and after the due date, there shall arise a continuing lien and charge against each lot in favor of the City, the amount of which shall include costs and reasonable attorneys' fees to the extent permissible by law. The City may bring an action at law against the Association and/or any Owner, or foreclose the lien against any property owned by any Owner. However, it is understood that any such lien in favor of the City shall be subordinate to the lien of any deed of trust placed upon the property for the purpose of securing indebtedness incurred to purchase or improve such property. Neither the Association nor any Owner may waive or otherwise escape liability for the cost incurred by the City as described herein.

IN WITNESS WHEREOF, PPNR, LLC hereby makes this Declaration of Easements, Covenants and Restrictions for Pinnacle Park and has caused this Declaration to be executed as of the date first written above.

PPNR, LLC

By: [Signature]
Its Manager

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

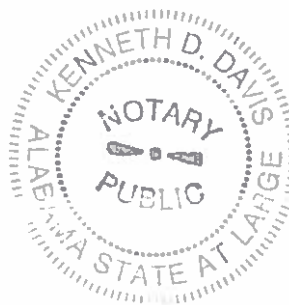
I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that J. Palmer, whose name as Manager of PPNR, LLC, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

In Witness Whereof, I hereunto set my hand and official seal on this the 14 day of October, 2016.

My commission expires:

3/24/19

[Signature]
Notary Public

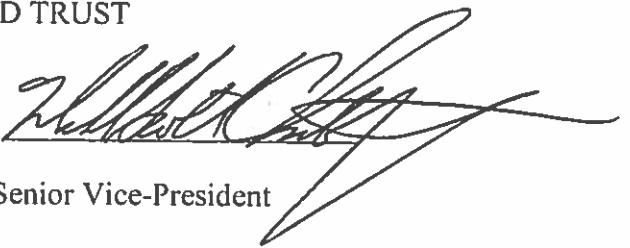


CONSENT OF MORTGAGEE

West Alabama Bank and Trust, the Mortgagee for the Developer named herein, by and through Scott Christoff, its Senior Vice-President, hereby consents to the terms and conditions of this Declaration and to the terms and conditions of the Plat.

In witness whereof, the undersigned has executed this Consent of Mortgagee to be effective on this 22 day of September, 2016.

WEST ALABAMA BANK
AND TRUST

By: 
Its Senior Vice-President

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that Scott Christoff, whose name as Senior Vice-President of West Alabama Bank and Trust is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said Bank.

In Witness Whereof, I hereunto set my hand and official seal on this the 22 day of September, 2016.

My commission expires:
11/11/20


Notary Public



EXHIBIT A
LEGAL DESCRIPTION

Part of the Northeast Quarter of the Northwest Quarter of Section 31, Township 20 South, Range 9 West, Tuscaloosa County, Alabama, being more particularly described as follows: Start at the Northwest corner of the Northeast Quarter of the Northwest Quarter of said Section 31; thence run in a Southerly direction along the West boundary of the Northeast Quarter of the Northwest Quarter for a distance of 777.29 feet to the POINT OF BEGINNING; thence continue in a Southerly direction along the West boundary of the Northeast Quarter of the Northwest Quarter of said Section 31 for a distance of 339.76 feet to a point; thence with a deflection angle of 87 degrees 45 minutes to the left run in an Easterly direction for a distance of 1398.97 feet to the West right-of-way margin of Rice Mine Road (a 60 foot right-of-way); thence with a deflection angle of 105 degrees 05 minutes to the left, run in a Northwesterly direction along the West right-of-way margin of Rice Mine Road for a distance of 204.71 feet to a point; thence with a deflection angle of 75 degrees 05 minutes to the left, run in a Westerly direction for a distance of 319.46 feet to a point; thence with a deflection angle of 74 degrees 51 minutes to the right, run in a Northwesterly direction for a distance of 150.23 feet to a point; thence with a deflection angle of 74 degrees 49 minutes to the left, run in a Westerly direction for a distance of 999.90 feet to the POINT OF BEGINNING.

CERTIFICATE OF FORMATION

**HOMEOWNERS' ASSOCIATION (HOA)
DOMESTIC NONPROFIT CORPORATION**

STATE OF ALABAMA

PURPOSE: In order to form a Homeowners' Association (hereinafter HOA) under Title 35, Chapter 20 as a Nonprofit Corporation under Section 10A-1-3.05 and 10A-3-3.02 of the Code of Alabama 1975 this Certificate Of Formation, all required attachments, and the appropriate filing fees must be filed with the Office of the Judge of Probate in the county in which the development, or any part thereof, is located. **The information required in this form is required by Title 10A and Title 35.**

(For County Probate Office Use Only)

INSTRUCTIONS: Mail three (3) signed copies of this completed form and the appropriate filing fees to the Office of the Judge of Probate in the county in which the development, or any part thereof, is located. Contact the Judge of Probate's Office to determine the county filing fees. **Make a separate check or money order payable to the Secretary of State for the state filing fee of \$100.00 for standard filing (processed based on date of receipt and filing volume) or \$200.00 for expedited service (processed in less than 24 hours after date of receipt from the County Probate Office) and the Judge of Probate's Office will transmit the fee along with a certified copy of the Certificate to the Office of the Secretary of State within 10 days after the Certificate is filed. Once the Secretary of State's Office has indexed the filing the information will appear at www.sos.alabama.gov under the Business Services tab and the Homeowners' Associations link – you may search by entity name by using the Homeowners' Associations Electronic Database. Your notification of filing was provided by the Probate Judge's Office via a stamped copy which is evidence of existence (if it is certified by the Probate Office) according to 10A-1-4.04(c) and the Secretary of State's Office does not send out a copy. You may pay the Secretary of State fees by credit card if the county you are filing in will accept that method of payment. Your entity will not be indexed if the credit card does not authorize and will be removed from the index if the check is dishonored.**

The information completing this form must be typed (for your convenience the information is fill-able on this computer form on the website above).

1. The name of the HOA: Pinnacle Park at North River Owners Association, Inc., a non-profit corporation
2. A copy of the Name Reservation certificate from the Office of the Secretary of State must be attached.
3. Unless otherwise stated, this is a nonprofit corporation which has Members.

(For SOS Office Use Only)

This form was prepared by: (type name and full address)

Kenneth D. Davis
700 Towncenter Boulevard, Suite 4
Tuscaloosa, Alabama 35406

DOMESTIC HOA CERTIFICATE OF FORMATION

4. The name of the Registered Agent: Todd Palmer

The entity ID # of the registered agent if the agent is an entity/organization/business – AL ID # _____ - _____
Satisfies requirement that entity/organization must be a registered business in Alabama per 10A-1-5.31.

5. Street (**No PO Boxes**) address in Alabama of Registered Agent (must be where registered agent is located):

912 29th Avenue, Tuscaloosa, Alabama 35401

Mailing address of Registered Agent in Alabama (if different from street address): _____

6. Purpose for which corporation is formed: Homeowners' Association – Nonprofit Corporation; the purpose includes the transaction of any lawful business for which HOAs may be incorporated in Alabama under Title 35, Chapter 20 of the Code of Alabama.

7. Period of duration shall be perpetual unless stated otherwise by an attached exhibit.

8. The name of the Incorporator: Kenneth D. Davis

Address of Incorporator: 700 Towncenter Boulevard Suite 4, Tuscaloosa, Alabama 35406

Attach a listing if more Incorporators need to be added (type "see attached" in the name line).

9. The number of Directors constituting the initial Board of Directors is 2. The initial Directors names and addresses must be listed in this Certificate of Formation.

Director's Name: Todd Palmer

Address of Director: 912 29th Avenue, Tuscaloosa, Alabama 35401

Director's Name: Tommy Randolph

Address of Director: 912 29th Avenue, Tuscaloosa, Alabama 35401

Director's Name: _____

Address of Director: _____

Attach listing if more Directors need to be added (type "see attached" in the name line for the first Director on this form).

DOMESTIC HOA CERTIFICATE OF FORMATION

The filing of the Certificate of Formation of the HOA is effective immediately on the date filed by the Judge of Probate or at the **delayed filing date** (cannot be prior to the filing date of the Judge of Probate) specified in this filing. [10A-1-4.12] If a delayed effective date is not desired do not complete the information in this item.

The undersigned specify _____ / _____ / _____ as the delayed effective date (must be on or after the date filed in the office of the county Judge of Probate, but no later than the 90th day after the date this instrument was signed) and the time of filing to be _____ : _____ AM or PM. (cannot be noon or midnight - 12:00)

In addition to this Certificate of Formation, as required by Ala. Code 1975, §35-20-5(2) and the Administrative Rules adopted by the Secretary of State, you are required to file separately with the Secretary of State the Supplement to Certificate of Formation and the following documents:

1. Articles of Incorporation (Certificate of Formation)
2. By-laws, resolutions, or other governing documents of the association
3. The original covenants, conditions, or restrictions adopted by the association.
4. Other information or documents required by Alabama Code 1975 §35-20-5(c) and the Supplement to Certificate of Formation form.

Additional Signatures May Be Attached

_____ 10 / 24 / 2016

Date (MM/DD/YYYY)



Signature as required by 10A-1-3.04
Kenneth D. Davis

Typed Name of Above Signature
Organizer

Typed Title/Capacity to Sign under 10A-1-3.04

John H. Merrill
Secretary of State

P.O. Box 5616
Montgomery, AL 36103-5616

STATE OF ALABAMA

I, John H. Merrill, Secretary of State of Alabama, having custody of the Great and Principal Seal of said State, do hereby certify that

pursuant to the provisions of Title 10A, Chapter 1, Article 5, Code of Alabama 1975, and upon an examination of the entity records on file in this office, the following entity name is reserved as available:

Pinnacle Park at North River Owners' Association, Inc., a non-profit corporation

This name reservation is for the exclusive use of Kenneth D. Davis, 700 Towncenter Blvd., Suite 4, Tuscaloosa, AL 35406 for a period of one year beginning July 18, 2016 and expiring July 18, 2017



RES729855

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State, at the Capitol, in the city of Montgomery, on this day.

July 18, 2016

Date

John H. Merrill

Secretary of State

This Instrument Prepared By:
Kenneth D. Davis
700 Towncenter Blvd., Suite 4
Tuscaloosa, Alabama 35406

EXHIBIT "C"

BY-LAWS OF
PINNACLE PARK AT NORTHRIVER OWNERS ASSOCIATION, INC.

The By-Laws of Pinnacle Park at North River Owners Association, Inc. are hereby promulgated by the Board of Directors pursuant to the Alabama Non-Profit Corporation Act for the purposes of governing the Pinnacle Park at North River Owners Association, Inc., a non-profit corporation (hereinafter referred to as the "Association").

INTRODUCTION:

1. PPNR, LLC (hereinafter referred to as the "Developer") has developed Pinnacle Park Phase 1, a map or plat of which is recorded in Plat Book 2016 at Pages 120 through 124 in the Probate Office of Tuscaloosa County, Alabama.
2. Developer will place of record the Declaration of Easements, Covenants and Restrictions for Pinnacle Park at North River ("Declaration") in the Probate Office of Tuscaloosa County, Alabama, which (including all terms, conditions and defined capitalized terms contained therein) is incorporated herein by reference.
3. The Association shall be governed by the Certificate of Formation of the Association, these By-Laws and any Rules and Regulations of the Association which may be promulgated; collectively, the "Association Documents".
4. All present and future Owners, mortgagees, lessees and occupants of Lots in Pinnacle Park at North River are subject to the Association Documents and the Declaration.
5. The acceptance of a deed or other conveyance or the occupancy of any Lot in Pinnacle Park at North River shall constitute an agreement that the Association Documents, the Declaration and the Plat, as they may be hereafter amended, are accepted and ratified, and will be complied with.

ARTICLE I
OFFICE

The Association shall have and continuously maintain in this State a registered office and registered Agent whose office is identical with such registered office. The name of the registered office in Alabama at the time of incorporation is Todd Palmer. The address of the registered agent of the corporation at the time of incorporation is 912 29th Avenue Tuscaloosa, Alabama 35401.

**ARTICLE II
MEMBERSHIP AND MEMBERSHIP MEETINGS**

1. Qualification: The members of the Association shall consist of all of the record Owners of Lots in Pinnacle Park at North River. In the event that a Lot is owned by more than one (1) owner, the Owners of said Lot shall designate by a certificate signed by all of the record Owners which one of said Owners shall represent them as the member of the Association.
2. Change of Membership: Change of membership in the Association shall be established by the recording in the Probate Office of Tuscaloosa County, Alabama, of a deed or other instrument establishing a change of record title to a Lot in Pinnacle Park at North River. Upon the delivery to the Association of a recorded copy of such instrument, the Owner designated by such instrument thereby becomes a member of the Association. The membership of the former Owner shall be thereby terminated upon the recording of the deed or other instrument establishing a change of record title.
3. Voting Rights: As provided in the Declaration, the holder of title to each Lot in Pinnacle Park at North River carries with such title the right to cast one (1) vote, on the basis of one (1) vote per Lot at any regularly or specially called meeting of the members of the Association.
4. Annual Meetings: Annual meetings of members of the Association shall be held at the office of the Association (or at the office of legal counsel for the Association) in the month of January of each year, on a date and at such time as the Board of Directors shall designate in the notice of such meeting provided to the members; subject, however to the provisions of Section 13 of this Article. The annual meeting shall be held for the purpose of electing directors and transacting any other business authorized to be transacted by the members.
5. Special Meetings: Special meetings of the members may be called by the Board of Directors, the president or by a majority of the members of the Association, (based upon the total number of available votes outstanding), for the purpose of considering and acting upon any matters of interest to the Association and its membership, and taking any other action not inconsistent with the Declaration or the Association Documents, including, but not limited to, the adoption of resolutions declaring the desirability of any further action recommended by the membership.
6. Notice of Meetings: Notice of all membership meetings stating the date, time, place and purpose for which the meeting is called shall be mailed, emailed or sent by social media as agreed to by a two-thirds majority of the Members of the Association. Each Member shall receive not less than ten (10) days or more than thirty (30) days' notice such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, postage prepaid, or when emailed, or when posted on social media if such arrangement is agreed to by a two-thirds majority of the Members. Notices of meetings may be waived either before or after meetings.

7. Voting in Person or by Proxy: A member may vote in person or by proxy executed in writing by the member or his duly authorized attorney-in-fact. No proxy shall be valid except for the particular meeting designated therein.

8. Quorum: A majority of the members of the Association, based upon the number of available votes outstanding, shall constitute a quorum at any meeting.

9. Vote Required to Transact Business: When a quorum is present at any meeting, the holders of a majority of the voting rights present in person or represented by written proxy shall decide any questions brought before the meeting, unless the question is one upon which, by express provision of the law, the Declaration or the Association Documents, a different number is required, in which case the express provision shall govern and control the decision in question.

10. Consents: Any action which may be taken by a vote of the members may also be taken by written consent to such action signed by the members required to take such action if such members were present and voting.

11. Adjourned Meetings: If any meeting of members cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

12. Order of Business: The order of business at annual member's meetings and, as far as practical, at all other members' meetings, shall be according to the latest edition of Robert's Rules of Order, when not in conflict with the Association Documents.

13. Developer Control: Notwithstanding any provision otherwise contained in any of the Association Documents, during the Development Period, as defined in Paragraph 1.17 of the Declaration, the Developer shall be exclusively entitled to vote on all matters to be voted on by the members of the Association; provided, however, that Developer may (as provided in the Declaration) relinquish said right by providing the Association with written notice of said relinquishment.

ARTICLE III BOARD OF DIRECTORS

1. Director. The word "director" as sometimes used herein shall mean a person elected to and serving on the board of directors. The board of directors of the Association shall consist of not less than two (2) or more than seven (7) members, as shall from time to time be determined and fixed by the vote of a majority of the voting rights present at any annual meeting of the members, except that the Developer may serve as sole director during the Developer Control Period. Any responsible person, who need not be a member of the Association, shall be eligible to be a director. The first board of directors named in the Articles of Incorporation of the Association shall hold office until their successors shall have been duly elected and qualified. Each person on the board of directors shall hold office until his successors shall be duly elected and qualified.

2. Removal: Any director may be removed by the vote of the holders of a majority of the voting rights present in person or represented by written proxy at any annual or special meeting of the members of the Association at which a quorum is present.

3. Vacancies: Any vacancy occurring in the board of directors, including vacancies occurring from the removal of a director, may be filled by majority vote of the remaining members of the board of directors at any annual or special meeting.

4. Annual Meetings: The annual meeting of the board of directors shall be held in January of each year at the office of the Association immediately following the annual meeting of the Members. Notice of the place and hour of each such meeting shall be given to each director at least five (5) days prior to each such meeting. Such notice may be given by telephone or other verbal notice.

5. Special Meetings: Special meetings of directors for any purpose may be called by the president or upon the written request of any two (2) directors, upon at least five (5) days notice to each director and shall be held at such place or places as may be determined by the directors, or as shall be stated in the call of meeting. Such notice may be given either in writing, which shall include email or other internet communication, by telephone, or by other verbal communication.

6. Waiver of Notice: Any director may waive notice of a meeting either before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

7. Quorum: A quorum shall consist of the directors entitled to cast a majority of the votes of the entire board of directors. The acts of the board of directors approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the board of directors. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

8. Powers and Duties: The board of directors shall have the following powers and duties:

- (a) All powers and duties enumerated in any Association Document;
- (b) To elect the officers of the Association as hereinafter provided;
- (c) To administer the affairs of the Association and its property;
- (d) To estimate the amount of the annual budget and to make and collect Assessments as provided by the Declaration;
- (e) To use the proceeds of Assessments in the exercise of its powers and duties;
- (f) To maintain, repair, replace, and operate the property of the Association;

- (g) To purchase insurance upon the property of the Association and insurance, including fidelity bond coverage, for the protection of the Association and its members;
- (h) To reconstruct improvements after casualty and to further improve the Association property;
- (i) To make and amend reasonable rules and regulations pertaining to the use of Association property;
- (j) To enforce by legal means the provisions of the Association Documents;
- (k) To retain legal counsel;
- (l) To employ personnel to perform the services required for proper operation of the Association and to hire and discharge managing agents and other employees, agents and independent contractors;
- (m) Unless otherwise provided herein, to comply with the instructions of a majority of the members, as expressed in the resolution adopted at any annual or special meeting of the members; and
- (n) To acquire real and personal property for the benefit of the Association and its members; and
- (o) Exercise all other powers and duties of the board of directors of a corporation organized under the Alabama Non-Profit Corporation Act, and all powers and duties of the board of directors referred to in these By-Laws, and any other powers and duties consistent with Alabama law.

ARTICLE V OFFICERS

1. Election: At each annual meeting, the board of directors shall elect the officers of the Association, any two (2) or more of which offices may be held by one (1) person, except that the president shall not be the secretary. The officers of the Association shall be a follows:
 - (a) a president, who shall be a director and who shall preside over the meetings of the board of directors and of the members, and who shall be the chief executive officer of the Association;
 - (b) a vice president, who shall be a director and who shall, in the absence of disability of the president, perform the duties and exercise the powers of the president;
 - (c) a secretary, who shall keep the minutes of all meetings of the board of directors and of the members, and the minute book wherein resolutions enacted at such meetings

shall be recorded, and who shall, in general, perform all the duties incident to the office of secretary;

and (d) a treasurer, who shall keep the financial records and books of the account;

(e) all additional officers as the board of directors shall see fit to elect.

2. Powers: The respective officers shall have the general powers usually vested in such officer of a non-profit corporation; provided, however, that the board of directors may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the board of directors may see fit.

3. Term: Each officer shall hold office for the term of one (1) year and until his successor shall have been elected and qualified.

4. Vacancies: Vacancies in any office shall be filled by the board of directors at special meetings therefor. Any officer may be removed at any time by a majority vote of the board of directors at a special meeting thereof.

5. Compensation: The compensation, if any, of all officers shall be fixed by the board of directors.

6. Developer Control: Notwithstanding anything to the contrary contained herein, during the Developer Control Period, (unless the Developer elects to terminate the Developer Control Period and shall do so by notifying the Association of the said election in writing as provided in the Declaration), the Developer shall be entitled to nominate and appoint all directors and officers of the Association and remove the same in the exercise of its absolute and unreviewable discretion. It is the intent of these By-Laws for the Developer to completely control the affairs of the Association until said time referred to above.

ARTICLE V INSURANCE AND ACCOUNTING MATTERS

1. Accounting Records: The board of directors shall provide for the maintenance of accounting records for the Association, such records to be maintained in accordance with generally accepted accounting principles. The Board may require periodic audits of the books by an independent accountant. The costs of such audits shall be included in the budget of the Association and paid through annual assessments as set forth in the Declaration. A copy of the records shall be made available to any Owner upon payment of a reasonable cost and upon reasonable notice to the board of directors.

2. Accounts: The board of directors shall cause to be kept a separate account record for each member showing the assessments charged to and paid by such member and the status of his account from time to time.

3. Records: The board of directors shall cause to be kept a detailed and accurate record in chronological order of the receipts and expenditures of the Association.

4. Insurance: The Directors, on behalf of the Association, may purchase liability purchase insurance for the Association and its officers and directors in such amounts and on such terms as the Directors may deem to be appropriate. Any such insurance shall be included in the budget of the Association and paid through annual assessments as set forth in the Declaration.

5. Indemnification of officers and directors: The Association shall indemnify and hold harmless any officer and directors from any liability they may incur for acts taken in furtherance of the purposes of the Association. Insurance may be obtained by the Association as the Directors deem appropriate. Any such insurance shall be included in the budget of the Association and paid through annual assessments as set forth in the Declaration.

6. The Association acting through its Directors may purchase a Fidelity Bond covering any person or entity which has control over funds belonging to the Association. The cost of obtaining any such bond shall be included in the budget of the Association and paid through annual assessments as set forth in the Declaration.

ARTICLE VI MISCELLANEOUS

1. Seal: The Association shall not have a seal.

2. Bank Accounts: The board of directors may, from time to time by resolution, authorize the maintenance of one or more deposit accounts by the Association. All checks, drafts of other orders for the payment of money issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall be determined from time to time by resolution of the board of directors. Initially, the president, who is Gene R. Taylor, shall have the authority to write checks in the name of the Association.

3. Notice: Whenever any notice or demand is required to be given by these By-Laws or the Declaration, any notice or demands so required shall be deemed sufficient if given by depositing the same in person, or depositing the same in the United State mail, postage, prepaid, addressed to the person entitled thereto at his last known post office address according to the records of the Association, and such notice shall be deemed given on the day of such mailing.

4. Waiver of Notice: Whenever any notice whatsoever is required to be given under provisions of any law, or under the provisions of the Articles of Incorporation, or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.

5. Fiscal: The fiscal year of the Association shall end on the last day of December of each year, unless otherwise determined by the board of directors.


**ARTICLE VII
AMENDMENTS**

These By-Laws may be amended or modified from time to time by the vote of a majority of the board of directors, any amendment to be set forth in writing, signed by the Secretary of the board of directors and recorded in the Tuscaloosa County, Alabama, Probate Office. Upon recording, each such amendment shall be effective.

Dated this 30 day of September, 2016.



Todd Palmer, Director



Tommy Randolph, Director