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Limestone County, AL

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**DECLARATION  
OF PROTECTIVE COVENANTS  
FOR  
NATURE'S TRAIL SUBDIVISION**

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Dated: April 29, 2016

**This Instrument Prepared by:**

**Paul B. Seeley, Esq.  
Lanier Ford Shaver & Payne P.C.  
2101 West Clinton Avenue, Suite 102  
Huntsville, Alabama 35805**

**DECLARATION  
OF PROTECTIVE COVENANTS  
FOR  
NATURE'S TRAIL SUBDIVISION**

THIS DECLARATION is made on the date hereinafter set forth by SMART LIVING, LLC, a Delaware limited liability company (hereinafter sometimes called "Declarant").

**BACKGROUND STATEMENT**

Declarant is the owner of the real property described in Article II, Section 2.1, of this Declaration.

Declarant desires to subject the real property described in Article II, Section 2.1, hereof to the provisions of this Declaration to create a residential community and to provide the mechanism for the subjecting of other real property to the provisions of this Declaration.

Declarant intends by this Declaration to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of property subject to, or hereinafter subject to, these protective covenants. Declarant desires to establish a method for the maintenance, preservation, use and enjoyment of the property that is now or hereafter subjected to this Declaration.

Declarant hereby declares that the real property described in Section 2.1, of this Declaration, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property hereby or hereafter made subject hereto, and shall be binding on all persons having any right, title, or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner and occupant of all or any portion thereof.

**ARTICLE I  
Definitions**

Unless the context shall prohibit, certain words used in this Declaration shall have the meanings set forth as follows:

- 1.1 "Assessments" shall mean either a General, Special or Specific Assessment.

1.2 "Association" shall mean and refer to Nature's Trail Homeowners' Association, Inc., an Alabama nonprofit corporation, formed under the laws of the State of Alabama, its successors and assigns.

1.3 "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, both for general and special purposes, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to the Declaration, the Articles of Incorporation, and the Bylaws.

1.4 "Board of Directors" or "Board" shall mean the governing body of the Association, and the Board shall have the duties as provided in the Declaration, the Bylaws, and the Articles of Incorporation.

1.5 "Bylaws" shall refer to the Bylaws of the Association, as such may be amended from time to time.

1.6 "Common Area" shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners and Occupants, whether located within or without the boundaries of the Community, and shall include, but not be limited to, the real property, and improvements thereon, designated as Common Area on the recorded plat(s) for "Nature's Trail Subdivision," as such may be re-subdivided from time to time.

1.7 "Community" shall mean and refer to that certain real property and interests therein described in Exhibit "A" attached hereto, and such additions thereto of other real property as may be made by the Declarant by Supplementary Declaration.

1.8 "Declarant" shall mean and refer to Smart Living, LLC, and its successors-in-title and assigns, provided any such successor-in-title or assign shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of real property described in Exhibit "A" attached hereto, or any adjacent land to Nature's Trail Subdivision, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all of the property described in Exhibit "A" attached hereto, and the adjacent lands thereto, which are now or hereafter subject to this Declaration, there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one point in time.

1.9 "Declaration" shall mean the Declaration of Protective Covenants for Nature's Trail Subdivision, as such document may be amended.

1.10 "General Assessments" shall mean assessments, if any, levied on an annual basis for Association Expenses determined by the Board to benefit all Owners and Occupants. Such assessments shall be allocated among all Residences in the Community.

1.11 "Lot" shall mean the platted and subdivided land within Nature's Trail Subdivision, designated by Lot and Block to be sold and conveyed by Declarant to an Owner for the use by Owner of constructing a single family "Residence" on said lot as platted, subdivided and designated.

1.12 "Majority" means those eligible voters, Owners, or other group as the context may indicate, totaling fifty-one percent (51%) or more of the total eligible number.

1.13 "Member" shall mean a person that is a member of the Association as provided in the Bylaws.

1.14 "Mortgage" means any mortgage, deed of trust, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

1.15 "Mortgagee" shall mean the holder of a Mortgage.

1.16 "Nature's Trail Subdivision" shall mean all of the real property described on Exhibit "A" attached hereto and all real property hereafter subjected to the Declaration by Supplementary Declaration.

1.17 "Occupant" shall mean any person occupying all or any portion of a Residence or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

1.18 "Owner" shall mean the record owner, whether one (1) or more Persons, of the fee simple title to any real property located within the Community, including contract sellers, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation and excluding contract purchasers, their subsequent grantor, successor or assign.

1.19 "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.

1.20 "Residence" shall mean a portion of the Community designated on an approved layout plan or subdivision plat, as more particularly described below, for any type of independent use and occupancy as a residence by a single family. Residence shall include all portions of the land owned, as well as any structure thereon, as described above. A Residence shall come into existence on the earliest date of the happening of any of the following events: (1) when a Certificate of Occupancy is issued by the proper governing authority; (2) in the case of a

subdivision the expiration of two years from the date the subdivision is accepted for maintenance by Limestone County (unless made earlier by contract with owner).

1.21 "Special Assessment" shall mean an assessment levied on the Owner of a Residence by the Board which is in addition to the General Assessment, which is assessed on an annual basis pro rata among all Owners for the purpose of alleviating a deficit in the Association's annual budget for any one (1) year.

1.22 "Specific Assessment" shall mean an assessment levied on the Owner of a Residence on a pro rata basis by the Board which is in addition to a General Assessment for a specific purpose, on either a pro rata or non-pro rata basis among the Owners.

1.23 "Supplementary Declaration" shall mean an amendment to the Declaration subjecting additional property to the Declaration.

## ARTICLE II Property Subject to this Declaration

2.1 Property Hereby Subjected to this Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions hereinafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to this Declaration is the real property described in Exhibit "A" attached hereto and by reference made a part hereof.

2.2 Other Property. Only real property described in Section 2.1 of this Article II is hereby made subject to this Declaration; provided, however, by one (1) or more Supplementary Declarations, Declarant has the right, but not the obligation, to subject additional real property to this Declaration, as hereinafter provided in Article VIII.

## ARTICLE III Association Membership and Voting Rights

3.1 Membership. Every Owner shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership. The Association shall be comprised of the Owners and the Board it elects through its Bylaws as it may establish. Bylaws must be established within one (1) year from the date that Nature's Trail Subdivision is platted and recorded at the Office of the Judge of Probate of Limestone County, Alabama. The initial Board of Directors shall be comprised of Louis W. Breland, Wes Alford and Chad Pulliam, who shall remain on said Board until all lots in the Community are sold, at which time the Association shall be called to hold a special election to elect new Board members as per the Bylaws and Alabama Code §35-20-9.

3.2 Voting. Owners shall be entitled to one (1) vote for each Residence owned. When more than one (1) Person holds an ownership interest in any Residence, the vote for such

Residence shall be exercised as those Owners themselves determine. In the event of a dispute, the vote shall be suspended if more than one (1) Person seeks to exercise it. Those Owners of property, if any, which is exempt from Assessments as provided in Article IV, Section 4.11 (a) and (b), hereof are Members of the Association and are subject to the provisions of this Declaration, but are not Owners of Residences and shall not, therefore, be entitled to vote.

An Owner's right to vote may be suspended as provided in Article IX, Section 9.2, of this Declaration.

#### ARTICLE IV Assessments

4.1 Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefits, and enjoyment of the Owners and Occupants in the Community, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

4.2 Type of Assessments. Each Owner of any Lot or Residence, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) General Assessments; (b) Special Assessments which are such assessments to be established and collected as hereinafter provided in Section 4.5; and (c) Specific Assessments against any particular Residence which are established pursuant to the terms of this Declaration, including, but not limited to, those assessments established by Section 4.10, and Section 5.2, hereof and reasonable fines as may be imposed in accordance with the terms of the Declaration and Bylaws. As of the date of this Declaration, no General Assessments shall be levied against any Lot or Residence. General Assessments may be established and levied by the Board at any time after the filing of this Declaration; provided, however, that the initial General Assessments shall not be more than \$50.00 per Lot or Residence per calendar year, due on October 1 of each calendar year and payable in advance. The first year's General Assessment, if any, shall be prorated through October 1 of that calendar year.

4.3 Creation of Lien and Personal Obligation for Assessments. All assessments, with a late charge as set forth in Section 4.7, costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot or Residence against which each assessment is made unless such assessment is paid within thirty (30) days such assessment is due, which due date is set forth in Section 4.2, or as may be otherwise determined by the Board when special or specific assessment are made pursuant to Section 4.2, and Section 4.5. Each such assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligations of the Person who was the Owner of such Lot or Residence at the time the assessment fell due. Each such Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Lot or Residence, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a

grantee for the unpaid assessments of its grantor shall not apply to any first Mortgage holder taking title through foreclosure proceedings or deed in lieu of foreclosure.

General Assessments and other assessments, unless otherwise provided by the Board, shall be paid in annual, semi-annual, or quarterly installments as the Board determines.

4.4 Annual Budget. It shall be the duty of the Board to prepare an annual budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve. The Board shall cause the budget and the Assessments to be levied against each Residence for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current calendar year. The Board may not, without the consent of Declarant (so long as Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof) and the vote or written assent of at least a Majority of the total Association vote entitled to vote thereon, impose a General Assessment per Lot or Residence which is more than one hundred twenty percent (120%) of the General Assessment for the immediately preceding fiscal year. In the event that the Board fails for any reason so to determine the annual budget for the succeeding year, then and until such time as an annual budget shall have been determined, as provided herein, the annual budget in effect for the current year shall continue for the succeeding year.

4.5 Special Assessments. In addition to the General and Specific Assessments authorized herein, the Board may levy Special Assessments in any year. So long as the total amount of Special Assessments allocable to each Lot or Residence does not exceed the amount of the current General Assessment in any one (1) calendar year, the Board may impose the Special Assessment. Any Special Assessment which would cause the amount of Special Assessments allocable to any Lot or Residence to exceed this limitation shall be effective only if approved by a majority of the total Association vote entitled to vote thereon and with the consent of Declarant, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof. Special Assessments shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which such Special Assessment is imposed.

4.6 Lien for Assessments. All sums assessed against any property subject to this Declaration pursuant to this Declaration, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on such property in favor of the Association in accordance with Alabama Code §35-20-12. Such lien shall be superior to all other liens and encumbrances on such property, except for (a) liens of ad valorem taxes; and (b) liens for all sums unpaid on a first Mortgage. All other Persons acquiring liens or encumbrances on any property subject to this Declaration after this Declaration shall have been recorded in the records of the Office of the Judge of Probate, Limestone County, Alabama shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

4.7 Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid in full by the date specified by the Board, (the "Due Date"), shall be delinquent. Any Assessment delinquent shall incur a late charge of Five and No/100 Dollars (\$5.00), per day, or in such amount as the Board may from time to time determine. If the Assessment is not paid by the Due Date, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest on the principal amount due, and all late charges from the Due Date payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association and its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the manner set forth in Alabama Code §35-20-12. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting through the Board and on behalf of Owners, shall have the power to bid at any foreclosure sale or to acquire, hold, lease, mortgage, or convey foreclosed property. No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, by non-use of Common Area, or abandonment of such Owner's Residence. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest and then to delinquent assessments.

4.8 Date of Commencement of Assessments. An Owner shall become subject to assessment hereunder at the time of purchase of a Lot in the Community and as set forth in Section 4.2. The first General Assessment shall be prorated according to the number of months remaining in the calendar year during which the Owner became subject to assessment.

4.9 Assessment Obligation of Declarant; Advance Payment. After the commencement of annual assessment payments as to any Residence, Declarant, on behalf of itself and its successors and assigns, covenants and agrees to pay the full amount of the Assessments provided herein for each existing Residence that it owns after two (2) years from the date of the first conveyance to an Owner. The Board is specifically authorized to enter into such advance payment contracts with Declarant or other entities as may be mutually agreed to for the payment of some portion of the Association Expenses; provided, however, the Veterans Administration shall be advised of and approve any form of such contract entered into between the Declarant and Association if the Veterans Administration is guaranteeing any Mortgage in

the Community. Such contract or contracts shall be for the benefit of and enforceable by the Association.

4.10 Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section as in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. The Board may specifically assess Lots or Residences for the following expenses, except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association as provided herein:

(a) Expenses of the Association which benefit less than all of the Lots or Residences may be specifically assessed equitably among all of the Lots and Residences which are benefitted according to the benefit received.

(b) Expenses of the Association which benefit all Lots and Residences, but which do not provide an equal benefit to all Lots and Residences, may be specifically assessed equitably among all Lots and Residences according to the benefit received.

4.11 Exempt Property. The following property shall be exempt from Assessments:

(a) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, public parks, roads, rights-of-way, streets and easements; and

(b) all property owned by non-profit organizations and restricted for use as private schools or churches; provided, however, the availability of the exemption for such non-profit organizations is contingent upon prior approval by the Board.

4.12 Waiver of Assessments. The Declarant and/or the Board reserves the right to waive any assessment as may come due from an Owner for any reason.

ARTICLE V  
Maintenance; Conveyance of Common Area  
by Declarant to Association

5.1 Association's Maintenance Responsibility. The Association shall maintain and keep in good repair the Common Area. This maintenance shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Area.

The foregoing maintenance costs shall be assessed as a part of the Assessments as determined by the Board in accordance with this Declaration and the Bylaws.

5.2 Owner's Maintenance Responsibility. Each Owner shall maintain or cause to be maintained in a safe, clean and attractive condition all property subject to this Declaration which is owned directly or indirectly by such Owner in a manner consistent with this Declaration. Such maintenance obligation shall include, without limitation, the following: Prompt removal of all litter, trash, refuse, and waste; lawn mowing on a regular basis; tree and shrub pruning; watering landscaped areas; keeping improvements, exterior lighting, and maintenance facilities in good repair and working order; keeping lawn and garden areas alive, free of weeds, and attractive; keeping driveways in good repair; complying with all governmental health and police requirements; and repair of exterior damages to improvements.

In the event that the Board determines that (a) any Owner or designee of the Owner, as designee is defined below, has failed or refused to discharge properly his obligations with regard to the maintenance, repair or replacement of items for which he is responsible hereunder; or (b) that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, his or her family, guests, lessees, invitees, or designee then, the Association may perform the repair, replacement or maintenance and shall, except in the event of any emergency situation, give the Owner or designee written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at the Owner's or the Owner's designee's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner or his designee shall have ten (10) days within which to complete such maintenance, repair, or replacement, or, in the event that such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost and expense, and all costs shall be treated as a specific assessment against the Owner and the property owned by the Owner.

5.3 Party Walls and Party Fences. Each wall or fence built as a part of the original construction of the Residences which shall serve and separate any two (2) adjoining Residences shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

In the event of any dispute arising concerning a party wall or fence, or under the provisions of this Section, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board, the Board

shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

5.4 Conveyance of Common Area by Declarant to Association. The Declarant may transfer or convey to the Association any personal property and any improved or unimproved real property, leasehold, easement, or other property interest which is or may be subjected to the terms of this Declaration. Such conveyance shall be accepted by the Association, and the property shall thereafter be Common Area to be maintained by the Association. Declarant shall have the right, without limitation, to include Lakes and Dams in the property that may be conveyed by Declarant and which shall be accepted by the Association.

5.5 Additional Improvements. Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section.

#### ARTICLE VI Use Restrictions and Rules

6.1. General. This Article, beginning at Section 6.2, sets out certain use restrictions which must be complied with by all Owners and Occupants. These use restrictions may only be amended in the manner provided in Article X, Section 10.4, hereof regarding amendment of this Declaration. In addition, the Board, by a two-thirds (2/3) vote, may, from time to time, without consent of the Members, promulgate, modify, or delete other use restrictions and rules and regulations applicable to the Community not in conflict with Article VI, Sections 6.2 through 6.34 set forth hereinbelow. Such use restrictions and rules shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled, or modified in a regular or special meeting by a Majority of the total Association vote entitled to vote thereon and, so long as the Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article VIII hereof, the consent of Declarant.

6.2. Residential Use. All Lots shall be used for single-family residential purposes exclusively. No business or business activity shall be carried on in or upon any Lot at any time. Leasing of a Lot shall not be considered a business or business activity. No structure of a temporary character including, without limitation, a trailer, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently. DSLD Homes shall be allowed to have and operate business out of a model home in the subdivision as long as DSLD Homes owns at least one lot in the subdivision.

6.3. Signs. No signs, written displays or visual displays shall be placed in the front yard of a Lot, or within view of the roadways, which contain language or graphic depictions which are profane, obscene, or calculated to harass or denigrate any person because of his or her

race, sex, religion or national origin, except that this provision shall not be construed to restrict or prevent the placement of reasonable campaign signs pertaining to candidates or referenda to be elected or decided by city, county, state or national election, nor shall this provision be construed to prevent or restrict the placement of reasonable signs pertaining to the sale, improvement or repair of the dwelling located on the Lot. Declarant, shall maintain marketing signs as it deems necessary on surrounding property owned by Declarant, until such time as Declarant, sells and conveys such property. DSLD Homes shall be allowed to place signage on lots and entrances without restrictions as long as DSLD Homes owns at least one lot in the subdivision.

6.4. Vehicles. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, trucks, campers, buses, vans, recreational vehicles, tractors, mowers and automobiles. All vehicles shall be parked within garages, driveways or other approved areas. Street parking is prohibited.

No towed vehicle, boat, recreational vehicle, motor home, tractor, mower or mobile home shall be temporarily kept or stored in the Community for any period in excess of three (3) days unless kept in a garage. Trucks with mounted campers which are an Owner's or occupant's primary means of transportation shall not be considered recreational vehicles, provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal. No eighteen wheel trucks or the cabs of such trucks shall be parked, kept or stored within the Community, and if so parked, kept, or stored shall be considered a nuisance and may be removed from the Community.

No motorized vehicles shall be permitted on pathways or unpaved Common Areas except for public safety vehicles.

6.5. Garages. All Homes are to have a side-entry garage. A single third car garage is allowed. Garage doors, if any, shall be kept closed at all times, except during times of ingress and egress from the garage.

6.6. Leasing. Lots may be leased for residential purposes only. All leases shall have a minimum term of six (6) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration. The lease shall also obligate the tenant to comply with the foregoing.

6.7. Occupants Bound. All provisions of the Declaration or design guidelines promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned.

6.8. Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common

household pets in a reasonable number. Chainlink pet kennels or pens are prohibited unless located behind an approved privacy fence or shall be located or screened as to be concealed from view of neighboring streets and property.

6.9. Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property: No building shall be permitted to stand with its exterior in an unfinished condition for longer than three (3) months after commencement of construction. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the Occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property within the Community. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Basketball goals are prohibited from being attached to the front of residences; basketball goals or other sports equipment must be contained on the Owner's property and may not be visible from the street. Grass should not exceed eight (8) inches in height. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Lot unless required by law.

6.10. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

6.11. Architectural Standards. No construction, alteration, addition, or erection of any nature whatsoever shall be commenced or placed upon any part of the Community, except such as is in accordance with the Declaration, or as is otherwise expressly permitted herein. This includes out buildings and storage sheds. No construction, alteration, addition, or erection shall be made unless and until plans and specifications showing at least the nature, kind, shape, height, color, materials and location shall have been submitted in writing to and approved by (1) Declarant, or (2) the Architectural Control Committee (A.C.C.) established upon the termination of the rights of the Declarant herein. Any construction, alteration, addition, erection, out building, etc. shall be in harmony with the Community and the home. Metal roofs are prohibited until its rights and obligations are terminated, Declarant shall have the sole authority to act as the A.C.C. and its approval is required for any exterior construction, addition, erection, or alteration within the Community under the terms of this section. Note that plans and specifications are not

approved for engineering or structural design or quality of materials, and by approving such plans and specifications neither the A.C.C., Declarant, nor the members thereof assume liability or responsibility therefore, nor for any defect in any structure constructed from such plans and specifications. DSLD Homes shall have architectural approval without further approval or fees on all lots owned by DSLD Homes.

6.12. Antennas. No exterior antennas of any kind shall be placed, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of Declarant, or its designee. No free standing antennas whatsoever shall be placed on any Lot including, without limitation, satellite dishes. However, the Board reserves the right to (but shall not be obligated to) erect a master antenna, satellite dish or other similar master system for the benefit of the entire Community. The Declarant or its designee may approve the installation of small satellite dishes or radio antennas which do not protrude above the roof line of the Residence located on the Lot at its highest point and are not visible from the street in front of the Lot. Each Owner and Occupant acknowledges that this provision benefits all Owners and Occupants and each Owner and Occupant agrees to comply with this provision despite the fact that the erection of an outdoor antenna or similar device would be the most cost-effective way to transmit or receive the signals sought to be transmitted or received.

6.13. Tree Removal. No trees shall be removed without the express consent of Declarant, or its designee, except for (a) diseased or dead trees; (b) trees needing to be removed to promote the growth of other trees; or (c) for safety reasons.

6.14. Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant of a Lot may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Declarant hereby reserves a perpetual easement across all Community property for the purpose of altering drainage and water flow. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

6.15. Sight Distance at Intersections. No fences, wall, hedge, or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

6.16. Clotheslines, Garbage Cans, Woodpiles, Etc. All clotheslines, garbage cans, woodpiles, swimming pool pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring streets and property. All construction debris, rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. Declarant, however, hereby expressly reserves the right to dump and bury rocks and trees on property within the Community as needed for efficient construction and to allow the developer to bury rocks and trees removed from a building site on such building site. Trash, garbage, debris, or other waste matter of any kind may not be burned within the Community.

6.17. Subdivision of Lot. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of Declarant or its designee. Declarant, however, hereby expressly reserves the right to alter any Lot or Lots owned by Declarant. Any such division or boundary line change shall not be in violation of the applicable subdivision and zoning regulations.

6.18. Guns. The use of firearms in the Community is not permitted. The term "firearms" shall include "BB" guns, pellet guns, paintball guns, airsoft guns and small firearms of all types.

6.19. Fences. No fence or fencing-type barrier of any kind shall be placed, erected, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of Declarant or the Architectural Control Committee. The Architectural Control Committee may issue guidelines detailing acceptable fence styles or specifications.

It is the responsibility of each Owner to maintain fences located along their Lot lines, except where the fence is located between lots, then, it is the responsibility of each Owner to pay one-half (½) the cost of maintenance of said fence. Any damage done to the fencing shall be repaired solely at the expense of the Owner, who, or whose agents or invitees, caused such damage.

Fences will be compatible with the home. No fence will be higher than six feet from the ground level to the top of the fence except by approval by Declarant. The fence must be finished with an approved paint or opaque stain color (approved by Declarant) and maintained in a satisfactory manner. No chain link, vinyl coated, or rough sawn fence will be allowed. Wood and vinyl fencing with architectural interest will be allowed with approval. Fences, regardless of construction, will not be permitted any nearer to front lot line than the center side of the dwelling.

6.20. Air Conditioning Units. Except as may be permitted by Declarant, no window air conditioning units may be installed. No air conditioning apparatus or unsightly projection shall be attached to the front of any residence.

6.21. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any property. Exterior sculpture, fountains, flags, and similar items must be approved by the Declarant or the Architectural Control Committee, except a reasonable pole for the display of the flag of our country does not require such approval.

6.22. Energy Conservation Equipment. No solar energy collector panels or attendant hardware, windmills or other energy conservation equipment shall be constructed or installed unless they are an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of Declarant.

6.23. Above Ground Swimming Pool. Except as may be permitted by Declarant, above ground swimming pools shall not be erected.

6.24. Lighting. Exterior lighting shall be reasonable.

6.25. Lakes or Ponds. The Community shall maintain ponds constructed by Declarant in Common Property. Any other ponds must be approved by Declarant and maintained by the individual lot owners.

6.26. Landscaping. The front yard of each Lot shall be sodded, except for areas designated for shrubs. Shrubs should be well distributed. Each Owner must maintain his lawn in a good condition and must not allow law or plantings to deteriorate.

6.27. Exteriors. Except as may be permitted by Declarant, the exterior of all improvements including, without limitation, residences must be repainted in a color used in the original construction of residences within the Community. All such wood portions of the exteriors must be painted or stained. No Owner shall change the roof type, color of shingles, brick type, color of brick, shutter color or front door color without the prior written consent of Declarant.

6.28. Window Coverings. The portion of all window coverings visible from the exterior of any residence shall be white or off-white unless otherwise prior approved by Declarant.

6.29. Minimum Building Size and Roof Pitch. All Residences shall contain a minimum of heated living space which space shall specifically exclude, without limitation, open porches, garages and unfinished storage areas as follows: 2,200 square feet, whether a one-story or two-story residence. All homes shall be constructed with 8/12 roof pitch or greater.

6.30. Setback Lines. No building shall be located on any Lot nearer to the front Lot line or nearer to the side and rear Lot lines than the minimum building setback lines required by all applicable Zoning Ordinances. In no event shall any building upon any Lot be located nearer than as allowed by any applicable Zoning Ordinances.

6.31. Mailboxes. All mailboxes, erected on any Lot, must conform to one standard design. A design will be provided and approved by Declarant and such design will be made available to the Owner upon approval of building plans for the Lot by Declarant.

6.32. Storage Tanks. No above ground storage tank shall be permitted on any Lot without the prior written consent of Declarant.

6.33. Gardens. No vegetable gardens, compost gardens, greenhouses or other food source planting shall be allowed in the front of a line drawn parallel with the front of any residence on any Lot.

6.34. Architectural Control Committee. All rights, responsibilities specifically reserved or imposed upon Declarant, or its representative under the terms of these restrictions, or those which exist by virtue of Declarant, being an owner of surrounding property shall terminate upon the filing by Declarant, of written notice to that effect in the Office of the Judge of Probate of Limestone County, Alabama. Thereafter, approval of the Declarant or the Architectural Control Committee shall not be required unless within sixty (60) days of the filing of said notice by Declarant, a majority of the record title holders of the Owners shall file a written instrument in the Office of the Judge of Probate of Limestone County, Alabama, designating a committee of at least three (3) representatives to act as an Architectural Control Committee which shall exercise all of the approval responsibilities of Declarant, herein. The duties and responsibilities of the Architectural Control Committee shall be subordinate and subject to the requirements of any zoning ordinance applicable to lots in the subdivision. The Architectural Control Committee shall have no authority to initiate or prevent any action taken to bring the subdivision or any Lot therein into compliance with any applicable zoning ordinance. All written notices to the Architectural Control Committee are to be mailed or hand delivered at 2101 West Clinton Avenue, Suite 201, Huntsville, Alabama, 35805.

6.35. Approvals. Declarant's approval as required by any of the terms and conditions of these covenants and restrictions shall be in writing. In the event Declarant or its representative shall fail to approve or disapprove any request within thirty (30) days after such request has been made in writing, approval shall not be required and the related covenants and restrictions shall be deemed to have been fully complied with and the approval of Declarant can be presumed. Failure of Declarant, to approve or disapprove the building plans and specifications in writing shall not in any way mitigate either the requirement to submit or the right of Declarant to approve or disapprove such plans and specifications in subsequent cases. DSLD Homes shall have architectural approval without further approval or fees on all lots owned by DSLD Homes.

6.36. Right of Board to Waive Use Restrictions and Rules. It is expressly provided that the Architectural Review Committee or the Board shall have the power and authority to waive the requirement or enforcement of any of the use or restrictive covenants as set forth herein. The Declarant recognizes that, from time to time, because of unforeseen circumstances, an Owner or Residence may not be capable of strictly complying with the covenants and restrictions

contained herein, and, therefore, due consideration must be given because of such unforeseen circumstances. The Architectural Review Committee or the Board may consider such waiver on a case by case basis.

ARTICLE VII  
Insurance and Casualty Losses

7.1 Insurance. The Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area in such amounts as the Board of Directors deems necessary.

7.2 Property Insured By Association; Damage and Destruction. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty.

Any damage or destruction shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least sixty-six percent (66%) of the total Association vote entitled to vote thereon, the Owner(s) of the damaged property, if any, and the Declarant otherwise agree, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however such extension shall not exceed one hundred and twenty (120) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Members, levy a Specific Assessment against all Owners. Additional Specific Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds are available from insurance exceed the costs or repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.

In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural

state and maintained as an undeveloped portion of the Community in a neat and attractive condition.

7.3 Property Insured by Owners; Damage and Destruction. By virtue of taking title to property within the Community, each Owner covenants and agrees with all other Owners and with the Association that each individual Owner shall carry casualty insurance insuring their Residence for its full appraised value and for casualty loss as may be defined by the insurance company as the Owner may choose. Each individual Owner further covenants and agrees that in the event of a partial loss of damage and destruction resulting in less than total destruction, the individual Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the individual Owner determines not to rebuild or to reconstruct, the individual Owner shall clear the Residence of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction.

7.4 Insurance Deductible. The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the Persons who are responsible hereunder, or under any declaration or contract requiring the Association to obtain such insurance, for maintenance of the damaged or destroyed property.

#### ARTICLE VIII Annexation of Additional Property

8.1 Unilateral Annexation by Declarant. As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until ten (10) years after the recording of this Declaration to subject all or any portion of the real property adjacent and/or contiguous to the platted subdivision of Nature's Trail to the provisions of this Declaration and the jurisdiction of the Association by filing for record a Supplementary Declaration in respect to the property being annexed. Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless otherwise provided therein.

The rights reserved unto Declarant to subject additional land to the Declaration shall not be implied or construed so as to impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Association. If such additional land is not subject to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

ARTICLE IX  
Easements

9.1 Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Residence and such portion or portions of the Common Area adjacent thereto or as between adjacent Residences due to the placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Residence and the adjacent portion of the Common Area or as between adjacent Residences, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association.

9.2 Easements for Use and Enjoyment of Common Area. Every Member shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to his property, subject to the following provisions:

(a) the right of the Board to charge reasonable admission and other fees for the use of any portion of the Common Area, including, without limitation, swimming pools, to limit the number of guests who may use the Common Area, to allow Persons who are not Members, such as Persons living or working in the vicinity of the Community, to use the Common Area on a regular or temporary basis and to charge or not charge a user fee therefor, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, Occupants, and invitees;

(b) the right of the Board to suspend the voting rights of an Owner and Occupant and the right of an Owner and Occupant to use the Common Area recreational facilities in the Community, if any, for any period during which any assessment which is hereby provided for remains unpaid, and, for a reasonable period of time for an infraction of the Declaration, Bylaws, use restrictions, rules and regulations or design guidelines;

(c) the right of the Board to borrow money for the purpose of improving the Common Area, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Area; provided, however, the lien and encumbrance of any such Mortgage given shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant, or any Residence or Owner, or the holder of any Mortgage, irrespective

of when executed, given by Declarant or any Owner encumbering any Residence or other property located within the Community (Any provision in this Declaration or in any such Mortgage given by the Board to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant, or any Residence or Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any Residence or other property located within the Community); and

(d) the right of the Board to dedicate or transfer all or any portion of the Common Area subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by at least a Majority of the Association vote present, in person or by proxy, at a meeting duly called for such purpose (or, if a meeting is not called, upon the affirmative vote of at least a Majority of the votes cast in a referendum on the issue) and, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof, by the Declarant.

An Owner's right of use and enjoyment in and to the Common Area and facilities deemed to have made a delegation of all such rights (except for the right of ingress and egress to the Owner's property) to the Occupants of any leased Residence.

Upon the affirmative vote of the Majority of the Association vote present, in person or by proxy, at a meeting duly called for such purpose (or, if a meeting is not called, upon the affirmative vote of at least a Majority of the votes cast in a referendum on the issue) and, so long as the Declarant has an option unilaterally to subject additional Property to this Declaration as provided in Article VIII hereof, the consent of Declarant, the Board may alter the use of any Common Area. For example, and by way of illustration and not limitation, the Board may convert tennis courts into a basketball court or vice versa.

An Owner's right of use and enjoyment in and to the Common Area and facilities located thereon shall not give any Owner the right of ingress or egress across any Residence to obtain access to such Common Area.

9.3 Reserved Easement for the Provision of Services to the Community. There is hereby reserved to the Declarant, its successors and assigns blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, maintaining, and removing rights-of-way, drainage facilities, floodway easements, and all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, and any other similar service such as, but not limited to, a television antenna system, cable television system, video system, or security system

which the Declarant might decide to have installed to serve the Community or any portion thereof. It shall be expressly permissible for the Declarant and its successors and assigns to install, repair, replace, maintain, and remove or to authorize the installation, replacement, maintenance, or removal of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Declarant and its successors and assigns shall have full rights of ingress and egress at all times over all portions of the Community for the installation, operation, maintenance, repair, or removal of any of the foregoing utilities or services and shall have the right to remove any unauthorized obstruction placed in or on any of the foregoing easements that would, in the sole discretion of Declarant or its successors and assigns, interfere with the use of the above installation of the foregoing utilities or services. In no event shall the foregoing prohibit paving or landscaping within such easements. Declarant shall have the right to assign and convey, in whole or in part, the easements reserved by it hereunder to one or more public utility companies, quasi-public service companies, or relevant governmental authorities. All utilities except drainage installed within the above described easements shall be installed underground. This reserved easement may be assigned by Declarant by written instrument to the Association, and the Association shall accept such assignment upon such terms and conditions as are acceptable to Declarant. Rights exercised pursuant to such reserved easements shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

9.4 Easement for Entry. In addition to the right of the Board to exercise self-help as provided in Section 10.2, hereof, the Board shall have the right, but shall not be obligated, to enter upon any property within the Community for emergency, security, and safety, which right may be exercised by the manager, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. It is intended that this right of entry shall include the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion, or other hazard in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

9.5 Easement for Lake Maintenance. Declarant hereby expressly reserves a perpetual easement for the benefit of Declarant and its successor and assigns, across such portions of the Community, determined in the sole discretion of Declarant (or its successors and assigns), as are necessary to allow for the maintenance of a lake(s), lakebed(s) and shoreline(s), if any, which are within the Community or which are made available for the use and enjoyment of Owners and Occupants within the Community. Such maintenance shall be repaired by the Person causing the damage at its sole expense. In order to allow the exercise of the rights created pursuant to this easement, no tree or structure may be placed within fifteen (15) feet of the line formed by the highest normal pool elevation of any lake without the prior written approval of the Board or its designee.

9.6 Easement for Property Maintenance Along Lake. Every Lake Lot Owner shall have a right and easement of access to that property located between a lake and the property line of such Lake Lot Owner as needed to perform the maintenance required under Article V.

ARTICLE X  
General Provisions

10.1 Enforcement. Each Owner and every Occupant shall comply strictly with the By-Laws, the rules and regulations, the use restrictions and with the design guidelines, all as may be amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration, as may be amended from time to time, and in the deed to his or her property within the Community, if any. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws, the rules and regulations, use restrictions, or design guidelines shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board, on behalf of the Association, or, in a proper case, by an aggrieved Owner or Occupant. Failure by the Board or any Owner or Occupant to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

10.2 Self-Help. In addition to any other remedies provided for herein, the Board or its duly authorized agent shall have the power to enter upon a Residence or any portion of the Community to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, the Bylaws, the rules and regulations, the use restrictions, or the design guidelines. Except in the case of emergency situations and towing, the Board shall give the violating Owner ten (10) days' prior written notice of its intent to exercise self-help. All costs incurred shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

10.3 Durations. The provision of this Declaration shall run with and bind the land and shall be and remain in effect perpetually to the extent permitted by law; provided, however, should any provision of Alabama law now or hereafter in effect limit the period during which covenants restricting land to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law; and such provisions shall be automatically extended for successive periods of ten (10) years or such shorter period as may be allowed by law, unless such extension is disapproved at a meeting duly called for such purpose by at least a Majority of the Association vote (or, if a meeting is not called, upon the affirmative vote of at least a Majority of the Association votes as recorded by a referendum on the issue) and, so long as the Declarant has an option unilaterally to subject additional Property to this Declaration as provided in Article VIII hereof, the written consent of the Declarant. Such meeting or referendum must be held and a written instrument reflecting disapproval must be recorded within the year immediately preceding the beginning of a renewal period. Every

purchaser or grantee of any interest in any real property agrees that such provisions of this Declaration may be extended and renewed as provided in this Section.

Notwithstanding anything contained herein to the contrary, these covenants and restrictions shall remain in full force and effect so long as there remains Common Area.

10.4 Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rules, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Residences subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of Mortgage loans, including for example without limitation the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, or a State or National Bank, to enable such lender or purchaser to make or purchase Mortgage loans on the Residences subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Mortgage loans on the Residences subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Property unless any such Owner shall consent thereto in writing. Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration as provided in Article VIII hereof, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not adversely affect the fee simple title to the property of any Owner without the consent of the affected Owner or Occupant.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of at least a two-thirds (2/3) vote of the total Association vote entitled to vote thereon or three-fourths (3/4) of the Board and the Declarant, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof. In the event of a conflict between the Board and the Association, the Board's decision controls. A meeting may be called (but shall not be required to be called) to consider and vote, upon any amendment. Amendments to this Declaration shall become effective upon recordation, unless a later effective date is specified therein.

Any procedural challenge to an amendment must be made within six (6) months of its recordation. In no event shall a change of conditions or circumstances operate to amend any provisions of the Declaration or Bylaws.

Notwithstanding anything to the contrary contained in this Section 10.4, any amendments to Article V, Section 5.1, which affect the maintenance responsibilities for the Common Area shall be approved by Limestone County, Alabama.

10.5 Partition. The Common Area shall remain undivided, and no Owner nor any other Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners of all portions of the property located within the Community, the

written consent of all holders of all Mortgages encumbering any portion of the property located within the Community, and, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII hereof, the consent of the Declarant.

10.6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

10.7. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provisions or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable.

10.8. Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

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

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

10.11 Audit. An audit of the accounts of the Association shall be made annually in such manner as the Board may decide. Upon written request of any institutional holder of a first Mortgage, such holder, upon payment of the costs associated therewith, shall be entitled to receive a copy of a financial statement within ninety (90) days of the date of the request.

10.12 Notice of Sale. If an Owner sells his or her Residence, the Owner shall give to the Board, in writing, the name of the purchaser of the Residence and such other information as the Board may reasonably require.

10.13 Estoppel Certificate. Upon the request of any Member, the Board or its designee shall furnish a written certificate signed by an officer or agent of the Association regarding unpaid assessments levied against that Member's property and any violations of the Declaration, By-Laws, use restrictions, rules and regulations, or design guidelines by any Owner or Occupant of such property. Such certificate shall bind the Association with respect to the foregoing matters. The Association may require the advance payment of a processing fee not to exceed Twenty-Five and No/100 Dollars (\$25.00) for the issuance of each such certificate.

10.14 Agreements. Subject to the prior approval of Declarant, so long as the Declarant has an option unilaterally to subject additional property to this Declaration as provided in Article VIII above, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

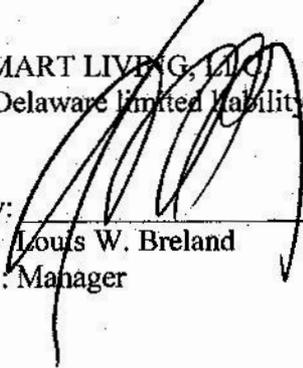
10.15 Implied Rights. The Association may exercise any right or privilege given to it expressly by the Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, the design guidelines and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

10.16 Deviations. The Board or its designee or the Declarant so long as the Declarant has an option to subject additional property to the Declaration as provided in Article VIII above, may, in the exercise of its discretion, permit deviations from the restrictions contained in this Declaration, the Bylaws, the rules and regulations, the use restrictions, and the design guidelines.

10.17 Declarant's Reservation for Use of Property. The Declarant does hereby reserve for itself, its successors and assigns, and does grant to Louis W. Breland, his designees, successors and assigns, the right to use any lakes, ponds, recreational improvements, tennis courts, pools and/or all other Common Properties, provided that the use of such shall be subject to the same restrictions, covenants and limitations as herein set forth by this Declaration.

IN WITNESS WHEREOF, the undersigned, have executed this instrument under seal this 27th day of April, 2016.

SMART LIVING, LLC  
a Delaware limited liability company

By:   
Louis W. Breland  
Its: Manager

STATE OF ALABAMA  
COUNTY OF MADISON

I, the undersigned Notary Public in and for said county and state, hereby certify that Louis W. Breland, as Manager of SMART LIVING, LLC, a Delaware limited liability company, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Manager, and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this the 27th day of April, 2016.

Mona K. White  
Notary Public  
My Commission Expires: 9-23-17



**EXHIBIT "A"**

Legal Description

**All Lots as being shown on that certain Final Plat of Nature's Trail, Phase 1, dated December 21, 2015, and recorded April 21, 2016, in PLATS Book J, Page 10 in the Probate Records of Limestone County, Alabama.**

Recording Fee 85.00  
TOTAL 85.00

30 pgs  
90.00  
1.00  

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91.00



20160502000233020 1/30 \$73.25  
Madison Cnty Judge of Probate, AL  
05/02/2016 08:27:32 AM FILED/CERT

RLPY 2016 24626  
Recorded In Above Book and Page  
05/09/2016 03:12:06 PM  
Charles C. Woodroof  
Judge of Probate  
Limestone County, AL

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**ARTICLES OF INCORPORATION**  
**OF**  
**NATURE'S TRAIL**  
**HOMEOWNERS' ASSOCIATION, INC.,**  
**an Alabama Nonprofit Corporation**

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Dated: April 29, 2016

**This Instrument Prepared by:**

✓ **Paul B. Seeley, Esq.**  
**Lanier Ford Shaver & Payne P.C.**  
**2101 West Clinton Avenue, Suite 102**  
**Huntsville, Alabama 35805**

**ARTICLES OF INCORPORATION  
OF  
NATURE'S TRAIL HOMEOWNERS' ASSOCIATION, INC.,  
AN ALABAMA NONPROFIT CORPORATION**

The undersigned Incorporator, desiring to form a corporation under the laws of the State of Alabama as a non-profit corporation, and pursuant to the provisions of the Alabama Nonprofit Act of 1984, as last amended (Sections 10-3A-1 through 10-3A-225 of the Alabama Code of 1975, as last amended) (herein referred to as the "Act"), hereby certifies as follows:

**ARTICLE I**

**NAME**

The name of the corporation shall be: NATURE'S TRAIL HOMEOWNERS' ASSOCIATION, INC. (herein referred to as the "Association").

**ARTICLE II**

**PERIOD OF DURATION**

The period of duration of the Association shall be perpetual.

**ARTICLE III**

**PURPOSES**

The purposes for which the Association is formed are to (a) provide an entity for the management, care, maintenance, repair and insurance of, the Common Area of Nature's Trail Subdivision, as established by the Plat of Nature's Trail, Phase 1, filed for record on April 21, 2016 in PLATS Book J, Page 10 in the Probate Records of Limestone County, Alabama and such additional property as may be subjected to the Declaration (as defined in the Bylaws) by Supplementary Declaration from time to time (herein referred to collectively as the "Subdivision"); (b) for establishing the reasons for and the means and methods of collecting the contributions or Assessments for Association Expenses; (c) for enforcement of the provisions of these Articles of Incorporation and the Bylaws; and (d) for such other purposes as the Board may determine, and as provided for by the Act.

Unless otherwise expressly stated, all words, terms and phrases, as used herein, shall have the same definitions as attributed to them in the Bylaws of the Association (herein referred to as the "Bylaws"), as now constituted and as may be amended hereafter, and which are attached hereto as Exhibit "A", by this reference incorporated herein, and made a part hereof.

**ARTICLE IV**

**POWERS**

As a means of accomplishing the foregoing purposes, the Association shall have the following powers:

A. The Association shall have all of the powers now conferred or which may be hereafter conferred on a nonprofit corporation under the laws of the State of Alabama.

B. The Association shall have all of the powers and duties set forth in the Act except as limited by these Articles and the Bylaws, and all of the powers necessary to carry out its powers, and to enforce the Bylaws, as they may be amended from time to time, including, but not limited to, the following:

1. To enforce by legal means the provisions of the Act, these Articles, and the Bylaws.
2. To retain legal counsel.
3. To enter into contracts or agreements for the maintenance of accounting and bookkeeping records and for the use of data processing facilities or services, so as to carry out the Association's responsibilities and to comply with the requirements of the law of the State of Alabama with regard to maintenance of records.
4. To enter into such other contracts or agreements reasonably necessary or convenient for the proper exercise of the rights, powers, duties and functions of the Association.
5. To employ all personnel necessary to perform the services required to properly exercise the rights, powers, duties and functions of the Association.
6. To exercise any and all common law and statutory powers, although not specifically recited herein, of a nonprofit corporation, and of an association within the meaning of the Act, reasonably necessary or convenient to carry out and perform the purposes for which the Association is organized and its enumerated powers.
7. To do such acts as may be required to comply with the provisions of the Internal Revenue Code of 1986, as amended, and applicable Revenue Rulings, and other Federal and State statutes, providing for an exemption from Federal and State income taxes of income of homeowner's associations, if any.
8. To designate those expenses which shall constitute the Association Expenses of the Common Area of the Subdivision, other than those expenses declared as Association Expenses under the Bylaws.
9. To estimate the amount of the annual budget and to make and collect Assessments against Owners in the Subdivision as set forth in the Bylaws.
10. To use the proceeds of Assessments in the exercise of its powers and duties.
11. To make and amend reasonable Rules and Regulations respecting the Common Area of the Subdivision.

C. All funds and the titles of all properties acquired by the Association and the proceeds thereof shall be held for the benefit of the members of the Association in accordance with the provisions of the Act, these Articles, and the Bylaws.

D. No contract or other transaction between the Association and any of its Directors or Officers, or between the Association and any person, corporation, partnership, firm or association in which any Directors or Officers of the Association are directors or officers or are otherwise pecuniarily interested, is prohibited if the common interest is disclosed or known to the Board. Any common or interested Director may be counted in determining the presence of a quorum at any meeting of the Board, and any common or interested Director or Officer may vote to authorize any contract or transaction.

E. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Act, these Articles, and the Bylaws.

## ARTICLE V

### MEMBERS

5.01. Qualifications. The members of the Association shall consist only of all of the record owners of Residences shown on the Plat of the Subdivision (said record owners being herein referred to, separately and severally, and collectively, as the "Owner" and/or "Owners") (said Residences being herein referred to, separately and severally, and collectively, as the "Residence" and/or "Residences"), which Owners are required to be members of the Association as a condition of their ownership of their respective Residences.

5.02. Change of Membership. Change of membership in the Association shall be established by the recording in the Office of the Judge of Probate of Limestone County, Alabama, of a deed or other instrument conveying a record title to a Residence in the Subdivision, and the delivery to the Secretary/Treasurer of the Association of a certified copy of such deed or other instrument, the Owner designated by such instrument thereby becoming a member of the Association. The membership of the prior Owner shall be terminated thereby.

5.03. Voting Rights. Where, in any provision of these Articles or the Bylaws, a vote of Owners is required or permitted, each Owner shall be entitled to cast one vote for each lot owned by him at all meetings of the Association. If more than one person or entity jointly own a Residence, such persons or entities shall only have one (1) vote per lot which they jointly own, and such vote shall be exercised as provided in the Bylaws. The manner of exercising voting rights shall be determined by the Bylaws.

5.04. Approval or Disapproval by Owners. Whenever the approval or disapproval of an Owner is required upon any matter, whether or not the subject of an Association meeting, such approval or disapproval shall be expressed by the same person who would cast the vote of such Owner at an Association meeting.

5.05. Restraint upon Assignment of Shares in Assets. The share of an Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such Owner's Residence.

## ARTICLE VI

### REGISTERED OFFICE AND AGENT

The location and mailing address of the Association's initial registered office, and the name of the Association's initial registered agent at such address, are:

Name	Address
Louis W. Breland	2101 West Clinton Avenue, Suite 201 Huntsville, Alabama 35805

**ARTICLE VII**

**BOARD OF DIRECTORS**

7.01. Number. All corporate powers of the Association shall be exercised by or under authority of, and the business and affairs of the Association shall be managed and conducted by and under the direction of, the Board of Directors (herein, the "Board" and/or the "Directors"). The exact number of Directors on the Board may from time to time be provided for by the Bylaws.

7.02. Initial Members of the Board. The number of Directors constituting the initial Board shall be three (3). The names and addresses of the initial Directors are as follows:

	Name	Address
Place 1:	Louis W. Breland	2101 West Clinton Ave., Ste. 201 Huntsville, AL 35805
Place 2:	Chad Pulliam	2101 West Clinton Ave., Ste. 201 Huntsville, AL 35805
Place 3:	Wes Alford	2101 West Clinton Ave., Ste. 201 Huntsville, AL 35805

The initial Directors of the Board shall serve until such time designated in the Bylaws.

7.03. Successors. At the expiration of the term of each initial Director, as stated in the Bylaws. His successor shall be elected by the Owners to serve for a term set out in the Bylaws.

7.04 Election. Directors of the Association shall be elected at the annual meeting of the Owners in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the Bylaws. The first annual meeting of the Board shall be held as provided in the Bylaws.

7.05. Removal. Subject to the terms of Article VI of the Bylaws, any Director may be removed, either with or without cause, by an affirmative vote of two-thirds (2/3rds) of the votes eligible to be cast by the Owners in person or by proxy at a meeting of Owners duly held for such purpose.

Any Director whose removal has been proposed by the Owners shall be given at least ten (10) days' prior written notice of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

**ARTICLE VIII**  
**INCORPORATOR**

The name and address of the incorporator of the Association is as follows:

Name	Address
Louis W. Breland	2101 West Clinton Ave., Suite 201 Huntsville, Alabama 35805

**ARTICLE IX**  
**OFFICERS**

The officers of the Association shall consist of a President, a Vice-President, and a Secretary/Treasurer and such other officers and assistant officers as may be deemed necessary by the Board (herein referred to as the "Officers"), each of whom shall be elected or appointed at such time and in such manner and for such terms as may be prescribed in the Bylaws. The names of the Officers who are to serve until the first election are:

Name	Office
1. Louis W. Breland	President
2. Wes Alford	Vice President
3. Chad Pulliam	Secretary/Treasurer

**ARTICLE X**  
**INDEMNIFICATION**

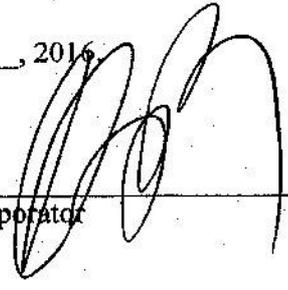
Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities by reason of his being or having been a Director or Officer of the Association, at the time such expenses and liabilities are incurred, as provided under the Bylaws.

**ARTICLE XI**  
**BYLAWS**

The initial Bylaws of the Association shall be in the form as attached hereto as Exhibit "A." by this reference incorporated herein, and made a part hereof. The procedure for amending the Bylaws shall be as provided for in the Bylaws.

DATED this the 29th day of April, 2016

Incorporator

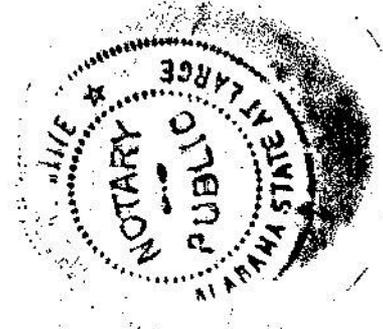


STATE OF ALABAMA )  
COUNTY OF MADISON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that LOUIS W. BRELAND, whose name as Incorporator is signed to the foregoing Articles of Incorporation of Nature's Trail Homeowners' Association, Inc., and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Articles of Incorporation of Nature's Trail Homeowners' Association, Inc., he, as Incorporator, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal on this the 29th day of April, 2016.

Mona K White  
Notary Public  
My Commission Expires: 9-23-17



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:

**Nature's Trail Homeowners' Association, Inc.**

This name reservation is for the exclusive use of Lanier Ford Shaver & Payne PC, P O Box 2087, Huntsville, AL 35804 for a period of one year beginning April 26, 2016 and expiring April 26, 2017

**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.**



RES722181

April 26, 2016

Date

John H. Merrill

Secretary of State

EXHIBIT "A"  
TO  
ARTICLES OF INCORPORATION OF  
NATURE'S TRAIL HOMEOWNERS' ASSOCIATION, INC.,  
AN ALABAMA NON-PROFIT CORPORATION

BYLAWS  
OF  
NATURE'S TRAIL HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I  
APPLICABILITY, PURPOSE AND BINDING EFFECT

1.01. Applicability and Purpose. These Bylaws of Nature's Trail Homeowners' Association, Inc. (herein referred to as the "Bylaws"), promulgated pursuant to the Alabama Nonprofit Act of 1984, as last amended (Sections 10-3A-1 through 10-3A-225 of the *Code of Alabama* of 1975, as last amended) (herein referred to as the "Act"), are for the purpose of self-governance of Nature's Trail Homeowners' Association, Inc., an Alabama nonprofit corporation (herein referred to as the "Association") as the entity responsible for the management, care, maintenance, repair and insurance of, the common area (herein referred to as the "Common Area") of Nature's Trail Subdivision heretofore or hereafter respectively established by:

A. The Articles of Incorporation of Nature's Trail Homeowners' Association, Inc., dated \_\_\_\_\_, 2016, filed for record \_\_\_\_\_, 2016, and recorded as Instrument Number \_\_\_\_\_ in the Office of the Judge of Probate of Madison County, Alabama (herein referred to as the "Articles of Incorporation"); and

B. The Plat of Nature's Trail, Phase 1, filed for record April 21, 2016, and recorded in PLATS Book J, Page 10 in the Probate Records of Limestone County, Alabama (herein referred to as the "Plat"); and

C. All additional property subjected to the Declaration (as defined herein) by Supplementary Declarations filed by the Developer from time to time;

all in the Office of the Judge of Probate of Madison County, Alabama and/or Limestone County, Alabama, and are applicable for the following purposes of the Association:

A. To provide an entity responsible for the management, care, maintenance, repair and insurance of, the Common Area of the Subdivision as established by the Plat;

- B. For establishing the reasons for and the means and methods of collecting the contributions or Assessments (whether General, Special or Specific) for Association Expenses;
- C. For enforcement of the provisions of the Articles of Incorporation of the Association and these Bylaws; and
- D. For such other purposes as the Board may determine and as provided for by the Act.

Except as to those matters which the Act specifically require to be performed by the vote of the members of the Association, the administration of the Association shall be performed by the Board as more particularly set forth herein.

All present and future Owners, tenants and occupants of the Residences, as well as the holders of all mortgages and liens thereon, shall be subject to, and shall comply with, the provisions of the Articles of Incorporation, and these Bylaws, as they may be amended from time to time.

The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of, or the taking of a mortgage or any other lien on, any Residence shall constitute an agreement that the provisions of these Bylaws and the Articles of Incorporation, as they may be amended from time to time, are accepted and ratified by such Owner, tenant and occupant, or holder of a mortgage or lien, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any such Owner, tenant and occupant, mortgagee or lien holder, as if such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof, or mortgage or lien thereon.

## ARTICLE II DEFINITIONS

Any phrases, terms or words which are used herein shall have the same definitions attributed to them in the Articles of Incorporation and in the Act. In addition thereto, unless the context otherwise requires, the following phrases, terms or words as used herein are defined as follows:

2.01. "Act" shall mean the Alabama Nonprofit Act of 1984, as last amended (Section 10-3A-1 through 10-3A-225 of the Alabama Code of 1975, as last amended).

2.02. "Articles of Incorporation" means the articles of incorporation of the Association, as recorded in the Office of the Judge of Probate of Madison County, Alabama, and any subsequent amendments thereto.

2.03. "Assessments" means, individually and collectively, General Assessments, Special Assessments and Specific Assessments.

2.04. "Association" means Nature's Trail Homeowners' Association, Inc., an Alabama nonprofit corporation, its successors and assigns.

2.05. "Association Expenses" include the expenses arising out of ownership of Common Area for which the Owners are liable to the Association in accordance with the Articles of Incorporation and these Bylaws, actual or estimated.

2.06. "Board" means the Board of Directors of the Association.

2.07. "Bylaws" means these duly adopted Bylaws of the Association, and any subsequent amendments thereto.

2.08. "Common Area" means the part or parts of the Subdivision, as such Subdivision may be re-subdivided from time to time, as set forth in the Declaration of Protective Covenants and Restrictions for Nature's Trail, and as depicted on the Plat of the Subdivision, and shall include all parts of the Subdivision not included within the boundaries of any Residence except for streets and rights-of-way dedicated to the public. The Common Area shall include the part or parts of all future subdivisions subjected to the Declaration which are not included within the boundaries of any Residence.

2.09. "Common Surplus" means the excess of all receipts of the Association arising out of Assessments against the Residences for the Common Area over the amount of Association Expenses.

2.10. "Declaration" means the Declaration of Protective Covenants for Nature's Trail, as such may be amended from time to time, and recorded with the Probate Court of Limestone County, Alabama.

2.11. "Developer" means Smart Living, LLC, a Delaware limited liability company.

2.12. "Director" means a member of the Board.

2.13. "Majority" shall mean those votes totaling fifty-one percent (51%) or more of the total number of eligible votes. Unless otherwise specifically stated, the words "Majority Vote" mean fifty-one percent (51%) or more of those voting in person or by proxy. Unless otherwise provided in the Articles of Incorporation, or in these Bylaws, all decisions shall be by a Majority Vote.

2.14. "Member" means a member of the Association, that is to say, an Owner. Membership in the Association shall be limited to, and is required of, those persons who hold and own a record title fee simple ownership interest in any Residence, but does not include a holder of a Mortgage or other lien on a Residence, and does not include a lessee or tenant of a Residence.

2.15. "Mortgage" shall refer to any mortgage, deed to secure debt, deed of trust, or other instrument given for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance for such purpose of fee title to a Residence or Residences.

2.16. "Officers" shall mean those individuals named in the Articles of Incorporation and thereafter those individuals who are elected by the Board to serve the Association as President, Vice President, Secretary/Treasurer, or such other officers as the Board may, from time to time, determine are necessary, as provided for in Article VII hereof.

2.17. "Owner" means a record title holder of a fee-type ownership interest in a Residence, but does not include a holder of a Mortgage or other lien on the Residence, and does not include a lessee or tenant of a Residence. Owners are required to be members of the Association as a condition of their ownership of their respective Residence or Residences.

2.18. "Person" means any individual, corporation, partnership, association, trustee, fiduciary or other legal entity.

2.19. "Plat" means the plat of the Subdivision, filed for record April 21, 2016, in PLATS Book J, Page 10 in the Probate Records of Limestone County, Alabama, Alabama.

2.20. "Residence" means each portion of the Subdivision intended for fee simple ownership for single-family residential purposes as designated and shown on the Plat.

2.21. "Rules and Regulations" means such rules and regulations of the Subdivision as may be adopted by the Board.

2.22. "Subdivision" means "Nature's Trail" according to the map of survey of Nature's Trail, Phase 1, filed for record on April 21, 2016, in PLATS Book J, Page 10 in the Probate Records of Limestone County, Alabama and all additional real property subjected to the Declaration by supplementary declarations.

2.23. Other Terms. Terms not otherwise defined herein shall have their natural meanings, or the meanings given in the Articles of Incorporation or in the Act.

### ARTICLE III MEMBERSHIP

3.01. Qualifications. An Owner shall automatically become, and is required to become, a Member of the Association upon taking title to his Residence and shall remain a Member for his entire period of ownership, as may be more fully provided below. If title to a Residence is held by more than one person, the membership shall be limited to one who shall exercise voting rights for such Residence as provided for in Article IV of these Bylaws. Membership does not include persons who hold an interest merely as security for the performance of an obligation such as a Mortgage, and the giving of a security interest or a Mortgage shall not terminate the

Owner's membership. Membership shall be appurtenant to the Residence to which it appertains and shall be transferred automatically by conveyance of that Residence.

3.02. Change of Membership. Change of membership in the Association shall be established by the recording in the Office of the Judge of Probate of Limestone County, Alabama, of a deed or other instrument conveying a record title to a Residence in the Subdivision, and the delivery to the Secretary/Treasurer of the Association of a certified copy of such deed or other instrument, the Owner designated by such instrument thereby becoming a Member of the Association. The membership of the prior Owner shall be terminated thereby.

#### ARTICLE IV VOTING

4.01. Voting Rights. The votes for a Residence shall be cast by the Owner, or by his proxy designated in the manner herein provided for. The number of votes to which an Owner is entitled is provided in the Articles of Incorporation and in these Bylaws.

4.02. Designation of Voting Representative and Eligibility to Vote. In the event a Residence is owned by one (1) person, an Owner's right to vote shall be established by the record title to such Owner's Residence. If a Residence is owned by more than one (1) person, the person entitled to cast the vote for the Residence shall be designated by a certificate of appointment signed by all of the record owners of the Residence and filed with the Secretary/Treasurer of the Association. If a Residence is owned by a corporation, partnership, trust or other legal entity, the officer or agent thereof entitled to cast the vote for the Residence shall be designated by a certificate of appointment signed by the duly authorized representative of the board of directors or other governing body of such entity and filed with the Secretary/Treasurer of the Association. If such a certificate is not filed with the Secretary/Treasurer of the Association for a Residence owned by more than one (1) person, or by a corporation, partnership, trust or other legal entity, the membership, or vote of the Owner concerned, shall not be considered in determining the requirement for a quorum nor for any purpose requiring the approval of the person entitled to cast the vote for the Residence. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Residence concerned is effected. A certificate designating the person entitled to cast the vote of a Residence may be revoked by any owner thereof.

4.03. Voting in Person or by Proxy. An Owner may vote in person or by a dated proxy executed in writing by the Owner or his duly authorized attorney-in-fact. No proxy shall be valid except for the particular meeting designated therein, and no proxy shall be honored unless filed with the Secretary/Treasurer of the Association before the appointed time of the meeting. Except as provided by applicable law, no proxy may be revoked except by written notice delivered to the Secretary/Treasurer of the Association. No person other than the Owner shall act as proxy for more than one (1) Residence in addition to his own Residence.

ARTICLE V  
MEETINGS OF MEMBERSHIP

5.01. Annual Meetings. Within one hundred twenty (120) days after the date that the Developer no longer owns any Lots in the Subdivision, the Owners shall call and hold the first Owners' meeting. Thereafter, annual meetings shall be held within ninety (90) days after the end of each fiscal year at a day and at a time determined by the Board. Subject to the terms of Article VI, the annual meeting shall be held for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Owners.

5.02. Special Meetings. Special meetings of the Owners may be called by the Board or the President, for any purpose or purposes, and shall be called by the Secretary/Treasurer at the request, in writing, of fifty-one percent (51%) or more of the Owners. Business transacted at all special meetings shall be confined to the object(s) stated in the notice thereof.

5.03. Notice of Meetings. Notice of all Owners' meetings stating the place, day, hour and purpose for which the meeting is called shall be personally delivered or mailed by the Secretary/Treasurer to each Owner at his Residence not less than ten (10) nor more than fifty (50) days prior to the date of such meeting. The mode of giving of such notice shall be governed by the provisions of Section 14.04 of these Bylaws.

5.04. Waiver of Notice. Waiver of notice of any meeting by an Owner made in writing before or at the meeting shall be deemed the equivalent of proper notice. Attendance at a meeting by an Owner, whether in person or by proxy, shall be deemed a waiver of notice of the meeting by such Owner, unless such Owner specifically objects to the form of notice at the time the meeting is called to order. Attendance at a Special Meeting shall also be deemed a waiver of notice of all business transacted thereat unless objection to the form of notice is raised before the purpose for which the meeting is called is put to a vote.

5.05. Quorum. Owners holding more than fifty-one percent (51%) of the votes entitled to be cast represented in person or by proxy shall constitute a quorum at all meetings of the Owners.

5.06. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the votes cast shall be necessary for the adoption of any matter voted upon by the Owners unless the question is one upon which, by express provision of the Act, the Articles of Incorporation, or these Bylaws, a different number is required, in which case the express provision shall govern and control the decision in question.

5.07. Adjourned Meetings. If any meeting of the Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present. At such adjourned meeting at which a quorum shall later be present or

represented, any business may be transacted which might have been transacted at the meeting originally called.

5.08. The Order of Business. The order of business at annual Owners' meetings shall be:

- A. Call to order;
- B. Calling of the roll and certifying of proxies;
- C. Proof of notice of meeting or waiver of notice;
- D. Reading and disposal of any unapproved minutes;
- E. Reports of officers;
- F. Reports of committees;
- G. Election of Directors;
- H. Unfinished business;
- I. New business; and
- J. Adjournment.

5.09. Place of Meeting. Meetings of the Owners shall be held at the Subdivision or at such other suitable place convenient to the Owners as may be designated by the Board in the notice thereof.

5.10. Unanimous Consent. Any action which may be taken by a vote of the Owners may be taken without a meeting if a waiver of notice and a consent, in writing, setting forth the action so taken, shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof. Any such written waiver and consent, or a copy thereof, shall be filed with the minutes of the Association.

#### ARTICLE VI BOARD OF DIRECTORS

6.01. Initial Board of Directors; Number. The initial Board of Directors shall consist of three (3) members who shall be designated in the Articles of Incorporation. The number of Directors shall thereafter remain in number and consist of three (3) members. The Directors elected at the annual meeting of the Owners shall be elected to serve for a term of one (1) year. One-third (1/3) of the terms of the members of the Board elected by the Owners shall expire annually. In any event, however, and except as otherwise provided in these Bylaws, a Director shall hold office for the term to which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

6.02. Board while Developer Owns Residences. While the Developer owns any Residence in the Subdivision, the Developer shall have the right to appoint the Directors of the Board. Such Directors shall serve until removed by the Developer.

6.03. Board after Developer Sells All Interest in Residences. After the Developer sells all the Residences in the Subdivision, then the Association shall have a special meeting to elect a new Board of Directors (the "New Board").

6.04. Staggered Elections of Directors. At the First Annual Meeting of Owners following the election of the New Board, held pursuant to Section 5.01 of Article V of these Bylaws, the Director designated Place One in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At the Second Annual Meeting, the Director originally designated Place Two in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At the Third Annual Meeting following the election of the New Board, the Director originally designated Place Three in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At each Annual Meeting subsequent thereto, the Director whose term of office then expires shall be replaced by a Director elected by the Owners. The foregoing notwithstanding, the right of the Owners to elect Directors shall be subject to the right reserved to the Developer to designate the Directors so long as the Developer owns a Residence in the Subdivision.

6.05. Procedures fo Removal and Replacement of Directors after Developer Sells All Interest in Residences.

A. Removal. Any Director may be removed, either with or without cause, by an affirmative vote of two-thirds (2/3rds) of the votes eligible to be cast by Owners in person or by proxy at a meeting of Owners duly held for such purpose.

Any Director whose removal has been proposed by the Owners shall be given at least ten (10) days notice of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

B. Vacancy and Replacement. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, a majority of the remaining Directors, though less than a quorum, at a Special Meeting of Directors duly called for this purpose, shall choose a successor or successors; provided, however, a Director removed by a vote of the Owners may be replaced only by a Director nominated and confirmed by a vote of the Owners. Any successor Director or Directors shall hold office for the unexpired term of his predecessor in office.

6.06. Regular Meetings. The Annual Meeting of the Board shall be held immediately prior to the Annual Meeting of the Owners, provided a quorum shall be present, or as soon thereafter as may be practicable. The Directors may, by resolution duly adopted, establish that regular monthly, quarter-annual or semi-annual meetings of the Board shall be required.

6.07. Special Meetings. Special meetings of the Board 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.

6.08. Notice of Meetings. Except as provided in Section 6.05 of Article VI of these Bylaws, notice of all Directors' meetings shall state the place, day, hour and purpose for which the meeting is called, and shall be personally delivered or mailed by the Secretary/Treasurer to each Director not less than one (1) day nor more than ten (10) days prior to the date of such meeting. The mode of giving of such notice shall be governed by the provisions of Section 14.04 of these Bylaws.

6.09. Waiver of Notice. Any Director may at any time waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Directors are present at any meeting of the Board, no notice shall be required to conduct the meeting and any business may be transacted at such meeting.

6.10. Quorum and Vote Required to Transact Business. At all meetings of the Board, a majority of the Directors elected and then serving shall constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by the Articles of Incorporation, the Act, or these Bylaws. If all Directors are present at any meeting of the Board, no notice shall be required to conduct the meeting and any business may be transacted at such meeting.

If a quorum shall not be present in any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present.

If a quorum is present when the meeting is convened, the Directors present may continue to do business, taking action by a vote of a majority of those present, until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum present, or the refusal of any Director present to vote.

The President shall preside over all meetings of the Board and the Secretary/Treasurer shall keep a minute book, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meeting. Roberts Rules of Order (latest edition) shall be the authority for the procedures to conduct the meetings of the Board when not in conflict with the Articles of Incorporation, the Act or these Bylaws.

6.11. Unanimous Consent. Any action which may be taken by the Board at a meeting may be taken without a meeting if a waiver of notice and a consent, in writing, setting forth the action so taken, shall be signed by all of the Directors. Any such written consent, or a copy thereof, shall be filed with the minutes of the Board.

6.12. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration and management of the affairs of the Association and of the Common Area of the Subdivision and may do all such acts and things except as by the Articles of Incorporation, the Act, these Bylaws or by other applicable law, may not be delegated to the Board by the Owners. The Board shall have the power to enforce obligations of the Owners and to do anything and everything necessary and proper for the sound management of the Association and of the Common Area of the Subdivision. The Board shall have the power to levy fines against the Owners for violations of reasonable rules and regulations established by it to govern the conduct of the Owners. No fine may be levied for more than Fifty and No/100 Dollars (\$50.00) for any one violation but for each day a violation continues after written notice it shall be considered a separate violation. Collection of fines may be enforced against the Owner or Owners involved as if the fines were Association Expenses owed by the particular Owner or Owners.

In addition to the duties imposed by these Bylaws or by any resolution of the Association hereafter adopted, the Board shall have the power to do and shall be responsible for, the following, in way of explanation, but not limitation:

- A. Authorizing the opening of bank accounts on behalf of the Association and designating the signatories required.
- B. Enforcing, by legal means, the provisions of the Articles of Incorporation and these Bylaws.
- C. Authorizing books and records to be kept with detailed accounts of the receipts and expenditures affecting the Association and its administration. The said books and records shall be available for examination by the Owners, as provided in the Act. All books and records shall be kept in accordance with generally accepted accounting practices.
- D. Preparation and adoption of an annual budget, in which there shall be established the assessment or contribution of each Owner to the Association Expenses.
- E. Making General, Special or Specific Assessments to defray the cost of the Association Expenses, establishing the means and methods of collecting such Assessments, and establishing the period for the installment payments of any such Assessment. Unless otherwise determined by the Board the General Assessment against the proportionate share of the Association Expenses shall be payable in equal monthly installments, with each installment to be due and payable on or before the fifteenth (15th) day of the month next following the month when made.
- F. Providing for the management, care, maintenance, repair and insurance of the Common Area of the Subdivision, and for the purchase, maintenance and repair of street

lamps and component parts for use in the Subdivision as required by the County of Limestone, Alabama.

G. Designating, hiring and dismissing the personnel necessary for the management and operation of the Association and for the management, care, maintenance, repair and insurance of the Common Area of the Subdivision and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties.

H. Authorizing the collection of Assessments, depositing the proceeds thereof in a bank depository which it shall approve, and authorizing the use of the proceeds to administer the affairs of the Association.

I. Instituting legal proceedings on behalf of or against the Owners concerning the Association.

J. Altering, amending or repealing these Bylaws.

6.13. Compensation. No Director shall be compensated for his services as such. This provision shall not prohibit a Director from receiving compensation as an employee of the Association, nor preclude the contracting with a Director, or with any firm or corporation in which a Director may own an interest, for the management of the Common Area of the Subdivision for which such Director or Directors may receive compensation.

6.14. Liability of the Board of Directors. The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Director while acting within the line and scope of said Director's duties. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Common Area of the Subdivision. It is understood and permissible for the Board, whether Owners or employed by the Developer, to contract with the Developer or any affiliated firms or corporations, without fear of being charged with self-dealing.

## ARTICLE VII OFFICERS

7.01. Designation. The principal Officers of the Association shall be the President, the Vice President, and the Secretary/Treasurer. The President and Secretary/Treasurer shall be elected by and from the Board. The Vice President shall be elected by the Board, but may be either a Board or a Member. The Board may appoint such other subordinate officers as in its

judgment may be necessary. Such subordinate officers shall not be required to be members of the Board. No person may hold more than one office.

7.02. Election of Officers. The Officers of the Association shall be elected annually by the Board at the meeting of the Board held immediately prior to each annual meeting of the Owners; and shall hold office for the term to which they are elected or appointed and until their successors shall have been elected or appointed and qualified.

7.03. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Owners and of the Board. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Act.

7.04. Vice President. In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. He shall perform such other duties as from time to time may be assigned to him by the President or by the Board.

7.05. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all meetings of the Owners and of the Board; shall see that all notices are duly given in accordance with the provisions of the Articles of Incorporation, these Bylaws, or as required by law; be custodian of the books and records of the Association; and keep a current list of Owners. The Secretary/Treasurer also shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association, in such banks, or other depositories, as shall be selected in accordance with the provisions of these Bylaws; be responsible for the preparation of the annual budget of the Association in accordance with the Board's directions; and, in general, perform all of the duties incident to the office of Secretary/Treasurer, and such other duties as from time to time may be assigned to him by the President or by the Board. If required by the Board, the Secretary/Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety, or sureties, as the Board may determine.

7.06. Powers. In addition, but not contradiction, to their powers set forth above, the respective Officers shall have the general powers usually vested in such officer of a nonprofit corporation; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any Officer as the Board may see fit; provided further, however, that all agreements, contracts, deeds, leases, promissory notes and other such legal instruments of the Association shall be executed by the President and the Secretary/Treasurer.

7.07. Term. Each Officer shall hold office for the term of one (1) year and until his successor shall have been elected or appointed and qualified.

7.08. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any Officer may be removed whenever, in the judgment of a majority of the Board, the best interests of the Association will be served thereby.

7.09. Resignations. Any Officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some other time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

7.10. Vacancies. If the office of the President, Vice President, or the Secretary/Treasurer, or one or more, becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of the entire Board, may choose a successor or successors who shall hold office for the unexpired term of his predecessor in office.

7.11. Compensation. The Officers shall receive no compensation for their services.

7.12. Liability of Officers. The Officers shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Officer while acting within the line and scope of said Officer's duties. It is intended that the Officers shall have no personal liability with respect to any contract made by them on behalf of the Common Area of the Subdivision. It is understood and permissible for the Officers, whether Owners or employed by the Developer, to contract with the Developer or any affiliated firms or corporations, without fear of being charged with self-dealing.

#### ARTICLE VIII ASSOCIATION RESPONSIBILITIES

8.01. Promulgation and Enforcement of Rules and Regulations. The Association is hereby granted the authority and power to promulgate and enforce such reasonable rules and regulations as are necessary for the efficient and sound operation of the Common Area of the Subdivision.

8.02. Liability and Indemnification of Officers and Directors. The Association shall indemnify every Officer and Director against any and all expenses or liabilities, including attorneys' fees, reasonably incurred by or imposed upon such Officer or Director in connection with any action, suit or other proceeding (including settlement of any such action, suit or proceeding, if approved by the Board) to which any such Officer or Director may be made a party by reason of being or having been an Officer or Director, whether or not such person is an Officer

or Director at the time such expenses or liabilities are incurred. The Officers and Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Officer or Director while acting within the line and scope of said Officer's or Director's duties. The Officers and Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such Officers or Directors may also be members of the Association), and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other right to which any Officer or Director, or former Officer or Director, may be entitled.

8.03. Maintenance of Accounting Records: The Association shall maintain accounting records in accordance with generally accepted accounting principles, open to inspection by Owners at reasonable times. Such records shall include:

- A. A record of all receipts and expenditures;
- B. An account for each Residence, setting forth any shares of Association Expenses or other charges due, the due dates thereof, the present balance due and any interest in Common Surplus; and
- C. Those records required to be maintained by Alabama Code §35-20-13.

8.04. Management, Etc. of Common Area: The Association shall be responsible for the management, care, maintenance, repair and insurance of the Common Area as provided in the Articles of Incorporation and these Bylaws.

#### ARTICLE IX ASSESSMENTS

9.01. Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefits, and enjoyment of the Owners and Occupants in the Community, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

9.02 Type of Assessments. Each Owner of any Residence, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) General Assessments; (b) Special Assessments which are such assessments to be established and collected as hereinafter provided in this Article IX; and (c) Specific Assessments

against any particular Residence and reasonable fines as may be imposed in accordance with the terms of the Declaration and Bylaws.

9.03 General Assessments. General Assessments may be established and levied by the Board at any time after the recording of the Declaration, provided; however that the initial General Assessments shall not be more than \$50.00 per Lot or Residence per calendar year, due on October 1 of each calendar year and payable in advance. The first year's General Assessment, if any, shall be prorated through October 1 of that calendar year.

9.04 Special Assessments. In addition to the General and Specific Assessments authorized herein, the Board may levy Special Assessments in any year. So long as the total amount of Special Assessments allocable to each Residence does not exceed the amount of the current General Assessment in any one (1) calendar year, the Board may impose the Special Assessment. Any Special Assessment which would cause the amount of Special Assessments allocable to any Residence to exceed this limitation shall be effective only if approved by a majority of the total Association vote entitled to vote thereon and with the consent of the Developer, so long as the Developer has an option unilaterally to subject additional property to the Declaration. Special Assessments shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which such Special Assessment is imposed.

9.05 Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section as in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

A. The Association Expenses which benefit less than all of the Residences may be specifically assessed equitably among all of the Residences which are benefitted according to the benefit received.

B. The Association Expenses which benefit all Residences, but which do not provide an equal benefit to all Residences, may be specifically assessed equitably among all Residences according to the benefit received.

9.06 Creation of Lien and Personal Obligation for Assessments. All Assessments, with a late charge as set forth in Section 9.11, costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Residence against which each assessment is made unless such assessment is paid within thirty (30) days such assessment is due, which due date is set forth in Section 9.03, or as may be otherwise determined by the Board when Special or Specific Assessments are made pursuant to Section 9.04, and Section 9.05, respectively. Each such Assessment, together with late charges, interest, costs, and reasonable

attorney's fees actually incurred, shall also be the personal obligations of the Person who was the Owner of such Residence at the time the assessment fell due. Each such Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Residence, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgage holder taking title through foreclosure proceedings or deed in lieu of foreclosure.

General Assessments and other assessments, unless otherwise provided by the Board, shall be paid in annual, semi-annual, or quarterly installments as the Board determines.

9.07. Acceleration. If an Owner shall be in default in payment of an Assessment installment, including, but not limited to, the monthly installments based on the annual budget, the Board may accelerate the remaining installments upon ten (10) days' prior written notice to such Owner, whereupon the entire unpaid balance of the installments due for the annual budget shall become due and payable upon the date stated in such notice.

9.08. Effect of Nonpayment of Assessments; Remedies of the Association. Any Assessments which are not paid in full by the date specified by the Board, (the "Due Date"), shall be delinquent. Any Assessment delinquent shall incur a late charge of Five and No/100 Dollars (\$5.00), per day, or in such amount as the Board may from time to time determine. If the Assessment is not paid by the Due Date, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest on the principal amount due, and all late charges from the Due Date payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association and its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting through the Board and on behalf of Owners, shall have the power to bid at any foreclosure sale or to acquire, hold, lease, mortgage, or convey foreclosed property. No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, by non-use of Common Area, or abandonment of such Owner's Residence. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under the Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest and then to delinquent assessments.

9.09 Date of Commencement of Assessments. An Owner shall become subject to assessment hereunder at the time of purchase of a lot in the Subdivision and as set forth in Section 9.03. The first General Assessment shall be prorated according to the number of months remaining in the calendar year during which the Owner became subject to assessment.

9.10 Assessment Obligation of the Developer: Advance Payment. After the commencement of annual assessment payments as to any Residence, the Developer, on behalf of itself and its successors and assigns, covenants and agrees to pay the full amount of the Assessments provided herein for each existing Residence that it owns after two (2) years from the date of the first conveyance to an Owner. The Board is specifically authorized to enter into such advance payment contracts with the Developer or other entities as may be mutually agreed to for the payment of some portion of the Association Expenses; provided, however, the Veterans Administration shall be advised of and approve any form of such contract entered into between the Developer and Association if the Veterans Administration is guaranteeing any Mortgage in the Community. Such contract or contracts shall be for the benefits of and enforceable by the Association.

9.11 Exempt Property. The following property shall be exempt from Assessments:

(a) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, public parks, roads, rights-of-way, streets and easements; and

(b) all property owned by non-profit organizations and restricted for use as private schools or churches; provided, however, the availability of the exemption for such non-profit organizations is contingent upon prior approval by the Board.

9.12 Annual Budget. It shall be the duty of the Board to prepare an annual budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve. The Board shall cause the budget and the Assessments to be levied against each Residence for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current calendar year. The Board may not, without the consent of the Developer (so long as the Developer has an option unilaterally to subject additional property to the Declaration) and the vote or written assent of at least a Majority of the total Association vote entitled to vote thereon, impose a General Assessment per Residence which is more than one hundred twenty percent (120%) of the General Assessment for the immediately preceding fiscal year. In the event that the Board fails for any reason so to determine the annual budget for the succeeding year, then and until such time as an annual budget shall have been determined, as provided herein, the annual budget in effect for the current year shall continue for the succeeding year.

9.13 Waiver of Assessments. The Board reserves the right to waive any Assessment as may come due from an owner for special circumstances shown.

9.14. Notice of Meetings. Written notice of any meeting called for the purpose of taking any action authorized under this Article IX shall be sent to all Owners at least ten (10) days prior to the meeting. Upon the written request of any owner of a Mortgage on a Residence, it shall be entitled to written notice of any such meeting and shall be permitted to designate a representative to attend and observe the meeting.

9.15. Annual Statements. Within ninety (90) days after the end of each year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Owner a statement for such year so ended, showing a summary of the receipts and expenditures and such other information as the Board may deem desirable. Any holder of a Mortgage on a Residence shall be entitled, upon written request, to obtain a copy of the financial statement for the immediately preceding fiscal year.

9.16. Accounts. The Board shall cause to be kept a separate account record for each Owner, showing the Assessments charged to and paid by such Owner, and the status of his account from time to time. Upon fifteen (15) days written notice to the Board, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner.

9.17. Payment of Assessments. It shall be the duty of every Owner to pay his proportionate share of the Assessments assessed in the manner herein provided. If any Owner shall fail or refuse to make any such payments when due, the Board shall have the authority to exercise and enforce any and all rights and remedies as provided for in these Bylaws, or otherwise available at law or in equity, for the collection of all unpaid Assessments.

9.18. Records. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Assessments and Common Area, specifying and itemizing the expenses incurred. Such records and financial statements and vouchers authorizing the payments of such expenses, shall be available upon reasonable prior notice for examination by the Directors, Officers and Owners during normal business hours at the office of the Association.

## ARTICLE X DEFAULT

10.1. Default in Payments. In the event an Owner does not pay any sums, charges or Assessments required to be paid to the Association within thirty (30) days from the due date, the Association, acting through the Board may foreclose the lien encumbering the Residence created by non-payment of the required moneys in the manner set forth in Alabama Code §35-20-12. The Association shall be entitled to the appointment of a receiver if it so requests. The Association

shall have the right to bid in the Residence at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien but without waiving the same, the Association may, on its own behalf, bring suit to recover a money judgment for sums, charges or Assessments required to be paid to the Association.

If an action of foreclosure is brought against an Owner for the non-payment of moneys due the Association, and as a result thereof the interest of the said Owner in and to his Residence is sold, then, at the time of such sale, the Owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

If the Association becomes the owner of a Residence by reason of foreclosure, it shall offer said Residence for sale and at such time as a sale is consummated, it shall deduct from such proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure, including reasonable attorneys' fees, and any and all expenses incurred in the resale of the Residence, which shall include, but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the maintenance and insurance of the Residence in question. All moneys remaining after deducting the foregoing items of expense shall be returned to the persons, firms and/or entities legally entitled to the same. In the event any question exists as to entitlement to such monies, the Association may, but is not obligated to, interplead the same in an action filed in a court of competent jurisdiction, and in such interpleader action is entitled to recovery of its costs and expenses including a reasonable attorneys fee.

10.02. Violations. In the event of violation of the provisions of the Articles of Incorporation, the Declaration, and/or these Bylaws, as the same are now or may hereafter be constituted, the Association, on its own behalf, may bring appropriate action to enjoin such violation or to enforce the provisions of the documents last hereinabove enumerated, and/or sue for damages, or take all such courses of action at the same time, or for such other legal or equitable remedy it may deem appropriate. Fines for such violations may be imposed by the Board of Directors after the Owner has been provided the opportunity to be heard and represented by counsel before the Board of Directors.

10.03. Costs and Attorneys' Fees. In any action either to foreclose its lien, to recover a money judgment, for injunctive relief brought by or on behalf of the Association against an Owner, or for remedy of violations as set forth in Section 10.02 of this Article X, the Association, in the event it is the prevailing party, shall be entitled to recover the costs of such proceedings and a reasonable attorney's fee, including those incurred on appeal, if any.

## ARTICLE XI MORTGAGES

11.01. Notice to Association. An Owner who mortgages his Residence shall thereafter promptly notify the Secretary/Treasurer of the Association who shall maintain a record of such information.

11.02. Lender's Notices. Upon written request to the Association, identifying the name and address of such holder, insurer or guarantor and the Residence number or address, any Mortgage holder, (or insurer or guarantor thereof) of a Residence will be entitled to timely written notice of:

- A. Any condemnation or casualty loss that affects either a material portion of the Common Area of the Subdivision or the Residence securing its Mortgage;
- B. Any thirty (30) day delinquency in the payment of Assessments or charges owed by the Owner of any Residence on which it holds the Mortgage; and
- C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

11.03. Examination of Books. The holder (or guarantor or insurer thereof) of a Mortgage on any Residence shall have the same right to examine the books and records of the Association afforded an Owner pursuant to these Bylaws.

## ARTICLE XII USE AND OCCUPANCY RESTRICTIONS

The Residences in the Subdivision shall be used only for those uses and purposes set out in the Declaration, as may be amended from time to time.

## ARTICLE XIII AMENDMENTS, ETC.

These Bylaws may be altered, amended or repealed by the Board.

## ARTICLE XIV MISCELLANEOUS

14.01. Seal. The seal of the Association shall be circular in form and shall contain the name of the Association. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

14.02. Fiscal Year. The fiscal year of the Association shall be that period of twelve (12) months ending on the last day of December of each year.

14.03. Bank Accounts. The Board may, from time to time, by resolution authorize the maintenance of one or more deposit accounts by the Association. All checks, drafts, or other orders for the payment of money issued in the name of the Association shall be signed as provided for by the Board and these Bylaws.

14.04. Notices. Unless otherwise provided in these Bylaws, the Articles of Incorporation, the Act, or other applicable law, all notices, demands, bills, statements, or other communications provided for or required by these Bylaws, the Articles of Incorporation and/or the Declaration, to Owners, Directors or Officers, shall be in writing and shall be deemed to be sufficient and to have been duly given if delivered personally or if sent by United States first class mail, postage prepaid, as follows:

A. If to an Owner, (i) at the address of his Residence or (ii) at the address which the Owner has designated in writing and filed with the Secretary/Treasurer; or

B. If to the Association, the Board, a Director, an Officer or the Manager or Managing Agent, at the principal office of the Association or the Manager or Managing Agent, if any, or at such other address as shall be designated in writing by the Association, the Board, a Director, an Officer, or the Manager, or Managing Agent, and filed with the Secretary/Treasurer, and such notice shall be deemed given on the day of such mailing, or such personal delivery to the recipient thereof.

14.05. Conflicts. These Bylaws are set forth to comply with the requirements of the Articles of Incorporation, and the Act. In case any provisions of these Bylaws conflict with the provisions of the Act, the Articles of Incorporation, or the Act, the provisions of the Articles of Incorporation, or the Act, as the case may be, shall control.

14.06. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Bylaws or the intent of any provision thereof.

#### ARTICLE XV CONSTRUCTION

Whenever the masculine singular form of the pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires.

These Bylaws are to be construed, controlled, enforced, governed and interpreted by the laws of the State of Alabama, without regard to principles concerning choice of law.

If, for any reason, any provision(s) or term(s) of these Bylaws should be declared null and void, or unconstitutional, by any final non-appealable order of any court of competent jurisdiction, the remainder of these Bylaws shall not be impaired and shall remain in full force and effect.

I, the undersigned, as Secretary/Treasurer of Nature's Trail Homeowners' Association, Inc., do hereby certify that the foregoing Bylaws were adopted as the Bylaws of Nature's Trail Homeowners' Association, Inc. at the first meeting of the Board of Directors of Nature's Trail Homeowners' Association, Inc., held on this 27th day of April, 2016.



Secretary/Treasurer of  
Nature's Trail Homeowners'  
Association, Inc.

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Recording Fee 91.00  
TOTAL 91.00

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Madison Cnty Judge of Probate, AL  
05/02/2016 08:27:32 AM FILED/CERT

AMENDMENT TO  
BYLAWS OF  
NATURE'S TRAIL HOMEOWNERS ASSOCIATION, INC.

THIS AMENDMENT TO BYLAWS, made this the 14<sup>th</sup> day of October, 2021.

WHEREAS, the Bylaws attached to the Articles of Incorporation of Nature's Trail Homeowners Association, Inc. (the "HOA") and recorded in the Office of the Alabama Secretary of State at Entity Number 361-596 and also recorded in the Office of the Judge of Probate of Madison County, Alabama as Instrument No. 2016-00233020, and also recorded in the Office of the Judge of Probate of Limestone County, Alabama in RLPY 2016 at Page 24626 stated a general assessment fee of \$50.00; and

WHEREAS, the Board of Directors of the HOA have unanimously agreed to (a) amend the Bylaws to reflect an increase of the general assessment of \$200.00, and (b) increase the number of directors.

NOW THEREFORE, the undersigned Secretary/Treasurer of the HOA does hereby declare that the Bylaws are hereby amended as follows:

1. Section 9.03 of the Bylaws is hereby amended by deleting "\$50.00" and inserting "\$200.00" in lieu thereof.

2. Section 6.01 of the Bylaws is hereby deleted in its entirety and replaced with the following in lieu thereof:

"6.01. Initial Board of Directors; Number. The initial Board of Directors shall consist of three (3) members who shall be designated in the Articles of Incorporation. The number of Directors shall thereafter consist of **not less than three (3) members and no more than seven (7) members, as determined by the Declarant, or, after the Declarant has terminated its Declarant rights, as determined by a Majority Vote of the Members.** The Directors elected at the annual meeting of the Owners shall be elected to serve for a term of one (1) year. One-third (1/3) of the terms of the members of the Board elected by the Owners shall expire annually. In any event, however, and except as otherwise provided in these Bylaws, a Director shall hold

office for the term to which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

The undersigned officer of the HOA shall cause this Amendment to Bylaws to be recorded as an attachment to a Supplement to Certificate of Formation in the Office of the Alabama Secretary of State (the "Supplement"), and the recorded Supplement will then be recorded in the Office of the Judge of Probate of Madison County and in the Office of the Judge of Probate of Limestone County, Alabama, and this Amendment to Bylaws shall thereupon be effective.

[SIGNATURE PAGE TO FOLLOW]

I, the undersigned Secretary/Treasurer of Nature's Trail Homeowners Association, Inc., do hereby certify that the foregoing Amendment to Bylaws were approved at the meeting of the Board of Directors of Natures Trail Homeowners Association, Inc., held on the 14<sup>th</sup> day of October, 2021.

  
\_\_\_\_\_  
Secretary/Treasurer of  
Natures Trail Homeowners  
Association, Inc.

APPOINTMENT OF DIRECTORS

Pursuant to Section 6.2 of the By-Laws of Nature's Trail Homeowner's Association, Inc., the following individuals are hereby appointed to the Association's Board of Directors effective as of October 15, 2021:

Name

Hannah Pirtle	Place 1
Julie Nelson	Place 2
Amber Stout	Place 3
Haley Norton	Place 4
James Lewis	Place 5
Sara Ree	Place 6
Adam Mendez	Place 7

IN WITNESS WHEREOF, the undersigned have executed this instrument effective as of October 15, 2021.

SMART LIVING, LLC

By: \_\_\_\_\_

Louis W Breland  
Its: Manager

9.00  
1.00  
1.00 XR  
11.00

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Recorded In Above Book and Page  
10/20/2021 08:43:35 AM  
Charles C. Woodroof  
Judge of Probate  
Limestone County, AL

STATE OF ALABAMA )  
:  
COUNTY OF LIMESTONE )

SECOND AMENDMENT TO  
DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS  
OF NATURE'S TRAIL SUBDIVISION

THIS SECOND AMENDMENT TO DECLARATION, made this the 14<sup>th</sup> day of October, 2021, by SMART LIVING, LLC (the "**Declarant**").

WHEREAS, Declarant desires to amend the provisions of the Declaration of Protective Covenants for Nature's Trail Subdivision, as recorded in the Probate Office of Limestone County, Alabama in RLPY 2016 at Page 23007, as amended by that certain Supplementary Declaration Subjecting Additional Property to Declaration of Conditions, Covenants and Restrictions of Nature's Trail Subdivision, as recorded in the Probate Office of Limestone County, Alabama in RLPY 2018 at Page 11533, and further amended by that certain Amendment to Declaration of Conditions, Covenants and Restrictions of Nature's Trail Subdivision, as recorded in the Probate Office of Limestone County, Alabama in RLPY 2019 at Page 46061 (collectively, hereinafter called the "**Covenants**"); and

WHEREAS, pursuant to Article X, Section 10.4 of the Covenants, the Declarant may amend the provisions of the Covenants.

NOW THEREFORE, the undersigned Declarant does hereby declare that the Covenants are hereby amended as follows:

1. Section 4.2 of the Declaration is hereby deleted and replaced with the following:

"4.2 Type of Assessments. Each Owner of any Lot or Residence, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) General Assessments; (b) Special Assessments which are such assessments to be established and

collected as hereinafter provided in Section 4.5; and (c) Specific Assessments against any particular Residence which are established pursuant to the terms of this Declaration, including, but not limited to, those assessments established by Section 4.10, and Section 5.2, hereof and reasonable fines as may be imposed in accordance with the terms of the Declaration and Bylaws. As of the date of this Declaration, no General Assessments shall be levied against any Lot or Residence. General Assessments may be established and levied by the Board at any time after the filing of this Declaration; provided, however, that the initial General Assessments shall not be more than \$200.00 per Lot or Residence per calendar year, due on October 1 of each calendar year and payable in advance. The first year's General Assessment, if any, shall be prorated through October 1 of that calendar year."

The undersigned Declarant shall cause this Second Amendment to Declaration to be recorded in the Probate Office of Limestone County, Alabama, and this Second Amendment to Declaration shall thereupon be effective.

Any capitalized terms not otherwise defined herein shall have the meaning set forth in the Covenants.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

