



**BYLAWS  
OF  
WOODLAND CREEK HOMEOWNERS' ASSOCIATION, INCORPORATED**

The following constitute the Bylaws of Woodland Creek Homeowners' Association, Incorporated, a nonprofit corporation located in Montgomery, Alabama, and incorporated under the laws of the State of Alabama.

**ARTICLE I**

**NAME**

The name of the Association shall be Woodland Creek Homeowners' Association, Incorporated (hereinafter referred to as the "Association").

**ARTICLE II**

**PRINCIPAL OFFICE**

The principal office of the Association shall be located at 2000 Interstate Park, Suite 300, Montgomery, Montgomery County, Alabama, or at such other place or places as shall be designated from time to time by the Association's Board of Directors.

### ARTICLE III

#### DEFINITIONS

The following underlined terms when capitalized in these Bylaws shall have the meanings ascribed to them below unless a different meaning is otherwise clearly indicated from the context in which such term is used:

1. Act: Alabama Nonprofit Corporation Act, Sections 10-3A-1 et seq., as amended or replaced from time to time.

2. Additional Property: Any real property and all improvements (including fixtures) situated thereon (other than the Property) which Developer may from time to time subject to the terms and conditions of the Articles of Incorporation and these Bylaws. This term shall include those parcels of real property, which are annexed into Woodland Creek in accordance with the terms of these Bylaws, when and if such parcels are made subject to the terms and conditions of the Articles of Incorporation and Bylaws.

3. Apartment Lot: Any Lot designated on a Plat for use as an apartment development or complex.

4. ARC: The Architectural Review Committee established in Paragraph B of Article VII hereof, as such committee may be constituted from time to time.

5. ARC Guidelines: Those rules, regulations and standards established by the ARC, with the prior approval of the Board, regarding the design, placement, construction, modification, addition to or alteration of a Lot or any improvement thereon, including, but not limited to, site standards, building design and materials standards, building construction standards, and any other standards that the ARC deems appropriate for Woodland Creek.

6. Areas of Association Responsibility: All property, whether real or personal, constituting Association Property, and areas over which the Association has easement rights including any and all beautification easements granted to the Association, and those other areas for which the Association has agreed in writing to be responsible for the maintenance, upkeep, repair or operation of the area, including, but not limited to, (a) all bridges and private roadways or easements upon which bridges and private roadways providing ingress and egress to, from or within Woodland Creek have been constructed within the boundaries of Woodland Creek, (b) all private roadways or easements upon which private roadways providing ingress to and egress from Woodland Creek have been constructed which roadways or easements may be adjacent to or in close proximity with (but otherwise outside of) Woodland Creek and which provide ingress to or egress from any portion of Woodland Creek, (c) all signage, rear drive lighting, street lighting (standard or non-standard), walkways (other than sidewalks), paths, trails, bicycle and jogging paths and lanes, gates, walls,

fences, improvements, landscaping and landscaped or other areas immediately adjacent to any public or private roadways within Woodland Creek, including all medians within any such public or private roadways, or on any public or private roadways which may be adjacent to or in close proximity with Woodland Creek which provide ingress and egress to, from or within any portion of Woodland Creek (other than such areas for which a Governmental Authority or Member is primarily responsible), (d) all lakes, water features, watershed protection or retention ponds, lakes, or basins, or other areas and facilities located within or serving Woodland Creek (other than such areas for which a Governmental Authority or Member is primarily responsible), (e) all maintenance areas and parking areas located on any portion of Woodland Creek (other than such areas for which a Member is primarily responsible), (f) the wooden bridge located upon the entrance drive into Woodland Creek which the Association shall be responsible for inspecting, maintaining, and/or replacing pursuant to agreement with the City of Montgomery, and (g) all parks, nature trails, swimming pools, tennis courts, clubhouses, maintenance facilities, recreational facilities and grounds, amenities facilities and grounds, and any other areas or improvements on, within or adjacent to Woodland Creek which is either located on Association Property or property over which the Association has an easement, or for which the Association has agreed in writing to be responsible.

7. Articles of Incorporation: The Association's Articles of Incorporation filed in the Probate Office, as amended or restated from time to time.

8. Assessments: All assessments and charges of all types and character assessed and levied by the Association pursuant to Article VIII hereof against Lots

and Condominium Units for the payment of the Expenses and other costs of the Association, including, when the term is used herein in the plural sense, Initiation Assessments, Base Assessments, Special Assessments, Neighborhood Assessments and Individual Assessments unless otherwise clear from the context in which such term is used.

9. Association: Woodland Creek Homeowners' Association, Incorporated, and its successors and assigns.

10. Association Meeting: A meeting of the membership of the Association, including Neighborhood Representatives. The Association Meeting shall constitute the membership meeting of the Association described in the Act.

11. Association Property: All real property, including all improvements, fixtures and structures thereon, and any interest therein, which is dedicated or otherwise conveyed to the Association from time to time by Developer, either by Plat, deed or otherwise, and such other real, personal or mixed property as may now or hereafter be owned by, acquired by or transferred to the Association.

12. Base Assessment: Those regular assessments assessed and levied by the Association to fund the Expenses, as such assessments are determined by the Board pursuant to Paragraph C of Article VIII hereof.

13. Board: The Board of Directors of the Association as it may be constituted from time to time.

14. Bylaws: These bylaws of the Association, including all amendments, additions, deletions and restatements hereto or hereof.

15. Class: One of the four (4) categories of membership in the Association described in Article IV of these Bylaws.

16. Class D Membership Termination Date: The date of the first to occur of the following: (i) the date upon which a written consent of the Class D Member to the termination of the Class D membership is delivered to the President of the Association, or (ii) the later of: (A) December 31, 2025 or (B) the sale of 90% of the Lots as Woodland Creek is then constituted (taking into account any and all Additional Property).

17. Condominium Document: Any instrument or instruments, however denominated, that create a condominium under the Alabama Uniform Condominium Act of 1991, as such Condominium Act may be amended from time to time, and any amendments to those instruments.

18. Condominium Lot: Any Lot subject to a Condominium Document.

19. Condominium Unit: A "Unit" as defined in §35-8A-103(26) of the Alabama Uniform Condominium Act of 1991, as amended from time to time, owned in fee simple by a Person (other than a condominium association).

20. Declaration: Each Declaration of Protective Covenants, Conditions and Restrictions for Woodland Creek executed and filed in the Probate Office by Developer, whether by plat or by other instrument or document, and any amendments, restatements or supplements thereto, and any other restrictive or protective covenants, conditions and restrictions that are executed and filed in the Probate Office by Developer with respect to Woodland Creek, by which a Lot is made subject to, or is not relieved from after becoming subject to, the terms and conditions of the Articles of Incorporation and these Bylaws.

21. Deed: Any deed or other similar instrument conveying fee simple title to any interest in a Lot or Condominium Unit.

22. Woodland Creek: That portion of the Property which Developer plats from time to time and subjects the lots within such Plat to the terms and conditions of the Articles of Incorporation and these Bylaws, and any Additional Property.

23. Developer: Lowder New Homes, Inc., an Alabama corporation, in its capacity as the developer of Woodland Creek and its successors and assigns operating in a similar capacity.

24. Director: Any individual who is elected to and serves on the Board.

25. Expenses: The sum of (i) the costs and expenses of operating the Association and (ii) the costs and expenses, not including capital expenditures, of holding, owning, maintaining, operating, repairing, and otherwise managing

Association Property or other Areas of Association Responsibility. Expenses of the Association may include, but are not limited to, the following:

(i) Salaries, fringe benefits and other compensation paid and out-of-pocket expenses reimbursed by the Association for its employees, agents, officers, Directors and any third-party contractors; and

(ii) Management fees and expenses of administration, including legal and accounting fees, incurred by the Association;

(iii) Utility charges for any utilities serving any of the Areas of Association Responsibility and charges for other common services for Woodland Creek, including, without limitation, security services (if any are provided); and

(iv) The costs of any insurance policies (including any surety or employee bond premiums) purchased for the benefit of the Association, as required or permitted by the Articles of Incorporation or these Bylaws, including, without limitation, fire, flood and other hazardous coverage, public liability coverage and such other insurance coverage as the Board determines to be in the best interests of the Association, including errors and omissions insurance, directors and officers liability insurance and any other liability insurance coverage for the benefit of the Association, the Board, any Directors, officers, employees, agents or representatives of the Association or for the ARC or any individuals serving thereon; and

(v) The expenses of maintaining, operating, and repairing any of the Areas of Association Responsibility, which maintenance and repair obligations shall include, but not be limited to, mowing, landscaping, seeding, and cleaning; and



(vi) The expenses of maintaining, operating, and repairing any amenities and facilities serving Woodland Creek which the Board determines from time to time would be in the best interests of the Association to so maintain, operate, or repair, including, but not limited to, repairing and replacing any and all street lighting (standard or non-standard); and

(vii) The expenses of the ARC which are not defrayed by charges imposed by the ARC under the ARC Guidelines or imposed under the Rules; and

(viii) Ad valorem real and personal property taxes assessed and levied upon any of the Association Property (excluding the amount of taxes allocable to any increase or increases in the rates of such taxes during the Association's fiscal year after the Base Assessment for such fiscal year has been determined); and

(ix) The costs and expenses of conducting recreational, cultural or other related programs for the benefit of the Members; and

(x) All of the fees, costs and expenses incurred by the Association which the Board, in its sole discretion, determines to be appropriate to be paid by the Association, including, without limitation, taxes and governmental charges not separately assessed against Lots.

26. Governmental Authority: Any and all city, county, state and federal governmental or quasi-governmental agencies, bureaus, departments, divisions or regulatory authorities having jurisdiction over any portion of Woodland Creek.

27. Individual Assessment: Those assessments and charges assessed and levied by the Association under Paragraph F of Article VIII hereof.

28. Initiation Assessment: Those processing charges and fees established by the Board from time to time under Paragraph B of Article VIII.

29. Lot: A platted lot which is located in Woodland Creek.

30. Member: Each Person who at a given point in time owns all of, or an undivided interest in fee simple to, a Lot or Condominium Unit, excluding a Mortgagee, as such, unless and until the Mortgagee becomes the owner of the Lot or Condominium Unit through foreclosure or other legal means.

31. Member's Property: A Residential Lot, Condominium Unit, Apartment Lot or any fee simple interest in any such Lot or Unit owned by a Member.

32. Member Representative: The Member who is designated or deemed designated under Paragraph B of Article IV hereof to exercise the voting rights for a Lot or Condominium Unit.

33. Mortgage: Any mortgage, deed of trust or other security device encumbering a Lot, Condominium Unit, or any interest in a Lot or Condominium Unit, and which has been duly and properly recorded in the Probate Office.

34. Mortgagee: The holder of any Mortgage.

35. Neighborhood: Any POD as the POD may be constituted, or any other group of platted lots designated by the Board as a "neighborhood" from time to time.

36. Neighborhood Areas: An area, if any, shown on a Plat which is an Area of Association Responsibility and which is designated by the Developer on said Plat for the primary use by one or more Neighborhoods.

37. Neighborhood Assessment: Those assessments and charges assessed and levied by the Association under Paragraph E of Article VIII hereof.

38. Neighborhood Meeting: Any meeting, whether annual or special, of the Member Representatives in a Neighborhood under Paragraph C of Article IV hereof.

39. Neighborhood Representative: The Member Representative who is selected under Paragraph C of Article IV hereof from a Neighborhood to act as liaison between the officers and Directors of the Association and the Member Representatives in that Neighborhood.

40. Person: Any individual, corporation, partnership (limited or general), limited liability company, trust, estate or other entity, other than the Association.

41. Plat: Any subdivision map approved by the planning commission of the City of Montgomery, Alabama, for the purpose of partitioning contiguous real property into two or more smaller units or lots with legal boundary lines for the purpose of facilitating the sale, transfer, or development of these divided parcels.

42. POD: A group of Residential Lots, Condominium Lots or Apartment Lots which group of Lots is denoted or designated by Developer as a POD on a Plat or series of Plats by which the Lots were created and which is further denoted or designated by Developer on a Plat or series of Plats by a specific letter to differentiate among the different-type PODs. PODs are not required to be equal in population, and a POD may be composed of non-contiguous property. A POD constitutes a political unit for the purpose of electing a Neighborhood Representative, and is also referred to herein as a "Neighborhood."

43. Probate Office: The office of the Judge of Probate of Montgomery County, Alabama, where Deeds, Mortgages, Plats and other similar documents of title or reference are filed for record.

44. Property: The real property described on Exhibit "A" attached hereto.

45. PUD: The planned unit development of the Property as previously approved by the City of Montgomery.

46. Residential Lot: Any Lot designated by Plat for use as single family housing, excluding an Apartment Lot and a Condominium Lot.

47. Rules: The rules and regulations of the Association described in Paragraph O of Article V hereof, as the same may be adopted or amended from time to time by the Board.

48. Special Assessment: Those assessments and charges assessed and levied by the Association against Lots and Condominium Units in order to fund capital improvements, replacements, and other extraordinary or unforeseen costs of the Association as are described in paragraph D of Article VIII hereof, as such assessments and charges may be determined, assessed and levied by the Board in accordance with the provisions of paragraph D of Article VIII hereof.

#### ARTICLE IV

#### MEMBERSHIP

A. Membership: The Association shall consist of Members, whose membership in the Association shall fall within one (1) of the following four (4) classes of membership: (1) Class A, (2) Class B, (3) Class C, and (4) Class D. Each Member shall have only those rights and responsibilities that are explicitly set forth in the Articles of Incorporation and these Bylaws for the particular Member's Class of Membership. Membership in the Association for a Member other than the Developer commences upon the filing in the Probate Office of a Deed in favor of such Member. Membership in the Association for the Developer commences upon the effective date of these Bylaws. Membership in the Association for a Mortgagee commences as of the date a Mortgagee becomes a Member. Upon the transfer of Member's Property by Deed, the transferring Member shall become a former Member of the Association with respect to the Member's Property being transferred and shall have no further membership rights with respect thereto, provided, however, that, in no event shall such transfer or conveyance (i) relieve such former Member of any obligation imposed under these Bylaws, the Declaration, the ARC Guidelines, or the Articles of Incorporation with respect to the Member's Property that was transferred which obligation arose prior to or at the time of such transfer or (ii) relieve such transferring Member of any obligation with respect to any other Member's Property owned and retained by that Member for which the transferring Member shall be considered a Member under these Bylaws. Upon the transfer of Member's Property by Deed, the Person receiving a fee simple ownership interest in the Member's Property shall automatically become a Member of the Association subject to all of the duties, obligations and responsibilities contained

in the Articles of Incorporation and these Bylaws, including, but not limited to, liability for all Assessments with respect to the Lot or Condominium Unit of which such Member's Property constitutes a part, whether any such Assessment arose prior to, on or after the date a fee simple interest in the Member's Property was received by the Person. For this purpose, the date upon which a Person receives a fee simple interest in Member's Property shall be the earlier of: (a) the date of closing, or (b) the date upon which such Deed is filed for record in the Probate Office. In no event shall a Member who has completely transferred all of his Member's Property be liable for any Assessments with respect to the Member's Property that was transferred which are payable for a time period after the date of transfer. It is the sole responsibility of a Person receiving a fee simple interest in Member's Property to ascertain and determine the amount of any Assessments due and owing with respect to any Member's Property hereunder; no notice of Assessments will be filed of record until a notice of lien is filed under Article VIII hereof. Each Person receiving a fee simple ownership interest in Member's Property shall, within fifteen (15) days after receiving such interest in Member's Property, notify the Association of such interest and provide the Association with a copy of the Deed to such Person.

B. Membership Classes: Subject to the terms and conditions of the Articles of Incorporation and these Bylaws, the rights and qualifications of each Class in the Association are as set forth below:

1. Class A Membership: Class A membership shall consist of those Members (other than the Developer on and before the Class D Membership Termination Date)

who own a fee simple interest in a Residential Lot. Regardless of the number of Class A Members who own a fee simple interest in a Residential Lot at any given time, one (1) Class A Member who owns such an interest in such Residential Lot shall be designated to exercise any voting rights with respect to that Residential Lot. The Class A Member designated shall be the "Class A Member Representative" for that Residential Lot. If a Class A Member owns all fee simple interests in a Residential Lot, then that Class A Member shall be deemed designated as the "Class A Member Representative" for that Lot. If more than one (1) Class A Member owns a fee simple interest in a particular Residential Lot at any given time, the Class A Members owning a majority of the fee simple interests in that Lot, as determined on a percentage ownership basis, shall designate one of the Class A Members owning an interest therein to serve as "Class A Member Representative" for that Lot. Subject to the terms and conditions of the Articles of Incorporation and these Bylaws, each Class A Member Representative shall be entitled to one (1) vote for each Residential Lot for which he serves as Member Representative and shall be obligated to pay assessments pursuant to Article VIII hereof for each such Residential lot.

2. Class B Membership: Class B membership shall consist of those Members (other than the Developer on and before the Class D Membership Termination Date) who own a fee simple interest in a Condominium Unit. Regardless of the number of Class B Members who own a fee simple interest in a Condominium Unit at any given time, one (1) Class B Member who owns such an interest in such Condominium Unit shall be designated to exercise any voting rights with respect to that Condominium Unit. The Class B Member designated shall be referred to as the "Class B Member Representative" for that Condominium Unit. If a Class B Member owns all fee



simple interests to a Condominium Unit, then that Class B Member shall be deemed designated as the "Class B Member Representative" for that Condominium Unit. If more than one (1) Class B Member owns a fee simple interest in a Condominium Unit at any given time, the Class B Members owning a majority of the fee simple interests in that Condominium Unit, as determined on a percentage ownership basis, shall designate one (1) of the Class B Members owning an interest therein as the "Class B Member Representative" for that particular Condominium Unit. Subject to the terms and conditions of the Articles of Incorporation and these Bylaws, each Class B Member Representative shall be entitled to one (1) vote for each Condominium Unit for which he serves as Member Representative and shall be obligated to pay assessments pursuant to Article VIII hereof for each such Condominium Unit owned.

3. Class C Membership: Class C membership shall consist of those Members (other than the Developer on and before the Class D Membership Termination Date) who own a fee simple interest in an Apartment Lot. Regardless of the number of Class C Members who own a fee simple interest in an Apartment Lot at any given time, one (1) Class C Member who owns such an interest in such Apartment Lot shall be designated to exercise any voting rights with respect to that Apartment Lot. The Class C Member designated shall be referred to as the "Class C Member Representative" for that Apartment Lot. If a Class C Member owns all fee simple interests in the Apartment Lot, then that Class C Member shall be deemed designated the "Class C Member Representative" for that Apartment Lot. If more than one (1) Class C Member owns a fee simple interest in an Apartment Lot at any given time, the Class C Members owning a majority of the fee simple interests in

that Apartment Lot, as determined on a percentage ownership basis, shall designate one (1) of the Class C Members owning an interest therein to serve as "Class C Member Representative" for that Apartment Lot. Subject to the terms and conditions of the Articles of Incorporation and these Bylaws, each Class C Member Representative shall be entitled to one-fifth (1/5) of one (1) vote for every one (1) apartment unit contained on each Apartment Lot for which he serves as Class C Member Representative.

4. Class D Membership: Class D membership shall solely consist of the Developer, who shall be the sole Class D Member. The Class D membership classification shall terminate at 11:59 p.m. (Montgomery, Alabama time) on the Class D Membership Termination Date. After 11:59 p.m. (Montgomery, Alabama time) on the Class D Membership Termination Date, there will be no Class D Member. At 11:59 p.m. (Montgomery, Alabama time) on the Class D Membership Termination Date, the Class D membership interests of Developer shall automatically convert into such other Class membership interests in the Association as the Developer then qualifies for based on the Developer's then fee simple ownership in any Lots or Condominium Units. On and before the Class D Membership Termination Date, the Developer, as the Class D Member, shall have three (3) votes for every one (1) vote of each Member Representative in all Classes upon each matter presented for a vote at an Association Meeting. After the Class D Membership Termination Date, the Developer shall have only those voting rights which are in accordance with the Class or Classes of Membership to which Developer's then fee simple ownership entitles him.

The designation of a Member Representative for a Lot or Condominium Unit (other than a deemed designation) shall be made in writing and delivered to the Secretary of the Association. Such written designation delivered to the Secretary of the Association shall be effective for any meeting after the date of such delivery to the Secretary of the Association until revoked by the next following proper written designation for that Lot or Condominium Unit. If the written designation is not delivered to the Secretary, all voting rights with respect to that Lot or Condominium Unit are suspended until such designation is delivered to the Secretary of the Association. In no event shall a Mortgagee, as such, be entitled to membership hereunder unless and until such Mortgagee acquires title to a Lot or Condominium Unit through foreclosure or other legal means. Notwithstanding anything contained herein to the contrary, a Person may be a Member in one or more Classes at the same time, except that the Developer shall only be the Class D Member on and before the Class D Membership Termination Date.

C. Neighborhood Meetings and Neighborhood Representatives:

1. Duties: The Association shall hold an annual Neighborhood Meeting for each Neighborhood. At the applicable annual Neighborhood Meeting, there shall be elected by the Member Representatives within that Neighborhood a Member Representative from that Neighborhood to serve as the Neighborhood Representative. The Neighborhood Representative shall serve as the liaison between the Member Representatives of that Neighborhood and the officers and Directors of the Association, attending all Association Meetings and reporting to the Member Representatives all matters discussed at Association Meetings. The Neighborhood

Representative shall also be responsible for delivering to the President of the Association the voting ballots of the Member Representatives located in the Neighborhood Representative's Neighborhood. No Neighborhood Representative shall have any voting rights at any Association Meeting, except in its capacity as a Member Representative. A Neighborhood Representative, as such, does not constitute an agent, Director, officer or employee of the Association and, unless expressly authorized in writing by the Board, has no authority to represent, bind or take action for and on behalf of the Association.

2. Election: In order for a Neighborhood Representative to be elected from each Neighborhood, the Board shall cause to be called at least sixty (60) days before the date set for the annual Association Meeting an annual Neighborhood Meeting for each Neighborhood, which Neighborhood Meeting is to be actually held before the annual Association Meeting. For this purpose, each Neighborhood Meeting shall be separate from every other Neighborhood Meeting. The Board shall cause written notice of the place, day and hour of the annual Neighborhood Meeting to be delivered, either personally or by mail, to each Member Representative whose Lot or Condominium Unit is located within the particular Neighborhood for which the meeting is held, not less than ten (10) days nor more than fifty (50) days before the date of such meeting. If mailed, the notice of such meeting shall be deemed delivered when deposited in the United States first class mail addressed to the Member Representative at his or her address as then designated on the books and records of the Association, with postage thereon prepaid. At the annual Neighborhood Meeting for the particular Neighborhood, a Member Representative from the Neighborhood for which the meeting is called shall be elected to serve as

Neighborhood Representative of that Neighborhood by the affirmative vote, either in person or by written proxy, of the Member Representatives in that Neighborhood holding at least twenty percent (20%) of the votes entitled to be cast at such Neighborhood Meeting, provided that a quorum is present at such meeting. For this purpose, the presence, in person or by written proxy, of those Member Representatives representing at least twenty percent (20%) of the total votes entitled to be cast at the Neighborhood Meeting shall constitute a quorum for the purpose of electing a Neighborhood Representative. If a quorum is not present, the Neighborhood Meeting shall be adjourned to a date selected by the President of the Association which date shall not be less than seven (7) days and no more than twenty-one (21) days after the date originally set for the Neighborhood Meeting. At least five (5) days notice shall be given to each Member Representative within that Neighborhood of the time and place of the adjourned meeting in the manner provided for giving notice in this subparagraph C.2. However, if a quorum is still not present at the adjourned meeting or if no Neighborhood Representative is elected at any Neighborhood Meeting, adjourned or otherwise, the Board shall appoint, from among the Member Representatives of the particular Neighborhood, a Member Representative to serve as Neighborhood Representative for that particular Neighborhood. After the Member Representative's election or appointment in this subparagraph C.2., and upon acceptance by the Member Representative of the duties of a Neighborhood Representative, the Member Representative who is elected or appointed and who has accepted the duties shall be considered the Neighborhood Representative for that Neighborhood. If a Member Representative of a Neighborhood is elected by the Member Representatives of that Neighborhood or is appointed by the Board for that Neighborhood and refuses to accept the position and

duties as Neighborhood Representative, then that Neighborhood shall not have a Neighborhood Representative until the Member Representatives from that Neighborhood duly elect a Neighborhood Representative for the Neighborhood at the next following annual Neighborhood Meeting.

3. Term: A Neighborhood Representative for a Neighborhood shall serve until that Neighborhood's next following annual Neighborhood Meeting and, thereafter, until his or her successor is elected or appointed and qualified hereunder, unless the Neighborhood Representative earlier dies, resigns, ceases to be a Member Representative, or is otherwise removed from the position. A Neighborhood Representative from a particular Neighborhood may be removed by the Board only upon the written request of Member Representatives of the particular Neighborhood who represent a majority of the total votes entitled to be cast at the annual Neighborhood Meeting by the Member Representatives from that particular Neighborhood, by delivering, either in person or by mail, a written notice of removal to the Neighborhood Representative. Such removal may be made at any time and with or without cause. Unless a later date is stated in the notice of removal, the removal shall be effective immediately upon delivery of such notice, whether personally or by mail. If a vacancy occurs in any Neighborhood Representative position at any time before the particular Neighborhood's next following annual Neighborhood Meeting, the position shall remain vacant until the next following annual Neighborhood Meeting at which a Member Representative from that Neighborhood shall be elected and qualified to serve as Neighborhood Representative.

4. Notice: The President of the Association may cause to be called special Neighborhood Meetings, and the President shall call at the direction of the Board special Neighborhood Meetings. At least five (5) days written notice of the special Neighborhood Meeting shall be given, either personally or by mail, to each Member Representative whose Lot or Condominium Unit is located within the Neighborhood for which the meeting is called. The notice shall state the time, date and place of the meeting and the purpose or purposes for which the meeting is called. The President of the Association or his designee shall preside at all Neighborhood Meetings. Before any Neighborhood Meeting is held, the Board shall designate the method by which voting for the election of Neighborhood Representatives will occur at the Neighborhood Meeting, and such method may include, but is not limited to, voting by raised hands, oral voting, voting by ballot or voting by mail. The Board in designating the method for voting may allow voting to occur at any time on or before the date set for the Neighborhood Meeting. Except as otherwise provided in this Paragraph C of Article IV, the Neighborhood Meetings shall be conducted under the same rules as set forth in these Bylaws for Association Meetings.

D. Place of Meetings: Association Meetings, whether annual or special, shall be held at such place, within or without the State of Alabama, as may be designated by the Board.

E. Annual Meetings: The Association shall hold its annual Association Meeting during the month of March in each calendar year on the date and at the time designated by the Board; provided, however, that, if, for any reason, the annual Association Meeting does not take place on such date, then the Board shall call a special

Association Meeting in order to take such acts or actions as are or were required to be taken at the annual Association Meeting by these Bylaws. If the designated meeting date shall fall upon a legal holiday, such Association Meeting shall be held upon the next succeeding business day. Failure to hold any annual Association Meeting within the time frame specified shall neither impair the organization of the corporation nor the validity of any corporate action.

F. Special Meetings: The President of the Association may cause to be called special Association Meetings if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by Member Representatives representing at least one-third (1/3) of the total votes of the Association then entitled to be cast at the special Association Meeting. The notice of any special Association Meeting shall state the date, time, and place of such meeting and the purpose or purposes therefore. No business shall be transacted at a special Association Meeting except that as provided for in the notice thereof.

G. Notice of Meetings: Written notice stating the place, date, and time of any Association Meeting shall be delivered, either personally or by mail, to the Class D Member, each Member Representative and each Neighborhood Representative not less than ten (10) days nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary of the Association, provided, however, that no notice need be given to the Class D Member, as such, after the Class D Membership Termination Date. If the notice is of a special Association Meeting, the notice shall also state the purpose or purposes for which the meeting is to be held. If mailed, the notice of such meeting shall be deemed delivered when deposited in the United States first



class mail addressed to the Class D Member, the Member Representative or the Neighborhood Representative, as the case may be, at his or its address as it last appeared on the records of the Association, with postage thereon prepaid.

H. Waiver of Notice: A waiver of notice of an Association Meeting which is signed by the Class D Member, a Member Representative or a Neighborhood Representative shall be deemed the equivalent of proper notice of the meeting to such signing Class D Member, Member Representative or Neighborhood Representative. The Class D Member, Member Representative, or Neighborhood Representative may waive notice of any Association Meeting, annual or special, either before or after the date set for such meeting in the notice. Attendance by the Class D Member, Member Representative, or Neighborhood Representative at an Association Meeting shall be deemed a waiver by the attending Class D Member, Member Representative or Neighborhood Representative, of notice of the time, date and place thereof, and of notice of the business to be transacted at such meeting, unless such Class D Member, Member Representative or Neighborhood Representative specifically objects, at the beginning of the applicable Association Meeting, to the lack of proper notice and, thereafter, abstains from voting on all business presented at the meeting.

I. Adjournment of Meetings: If any Association Meeting cannot be held because a quorum is not present, the President of the Association may adjourn the meeting to a time not less than ten (10) days nor more than fifty (50) days from the date of the original meeting. At the meeting to which the original meeting was adjourned, if a quorum is present, any business which might have been transacted at the original meeting may be transacted at such adjourned meeting. Notice of an adjourned meeting need only be given to the Class D Member, each Member Representative and each

Neighborhood Representative who did not attend the original meeting. Such notice shall be given at least ten (10) days before the date set for the adjourned meeting.

J. Voting: For each Association Meeting, the Board shall establish the date upon which the notice of a particular Association Meeting shall be sent. At least thirty (30) days before the date set by the Board for sending out the notice for an Association Meeting, annual or special, the Board shall establish an agenda of items to be presented to a vote at such Association Meeting. The agenda shall state each item to be voted on and specifically describe the proposal relating thereto. Simultaneously with the notice of the meeting, each Member Representative shall be sent both a copy of the descriptive agenda and a ballot for voting on each agenda item. Each Member Representative shall vote on each item which is to be voted upon by marking the ballot in the appropriate location, signifying whether such Member Representative votes for, against or abstains from the item and signing the ballot. In order to be effective, the signed and marked ballot must be delivered by the voting Member Representative, either personally or by mail, to that Member Representative's Neighborhood Representative (if there is a Neighborhood Representative serving for that Neighborhood) no later than the date immediately preceding the date set for the special or annual Association Meeting for which the ballot is given. Regardless of the reason, any ballot received by the Neighborhood Representative after the date immediately preceding the date set for the Association Meeting will be invalid and not be counted for any purpose. If, for any reason, there is no Neighborhood Representative for a Neighborhood at the time votes are to be cast for an Association Meeting, the Member Representatives for that Neighborhood shall cast their votes by delivering their signed and marked ballots to the President of the Association at the principal office of the Association no later than the

date immediately preceding the date set for the annual or special Association Meeting, as the case may be. No items may be presented for a vote at an Association Meeting unless listed on the agenda. The agenda of items does not limit the discussion at any Association Meeting to only those items listed on the agenda; instead it only limits voting to those items listed thereon. No vote is provided as to the items which are to be discussed at the applicable Association Meeting. The ballots shall be opened and counted before the Association Meeting. The sealed ballots are to be delivered by the Neighborhood Representative to the President of the Association. The President of the Association and the Neighborhood Representative for the particular Neighborhood shall together count the votes from the ballots and certify the number of votes counted in a writing signed by both the President of the Association and the Neighborhood Representative. If there is no Neighborhood Representative, then the counting shall be performed by both the President and Secretary of the Association, who shall then certify in a writing signed by them the votes counted.

K. [Reserved Solely for Paragraph Marking Purposes.]

L. Quorum; Action of the Members: The presence, in person or by ballot, of the Class D Member and Member Representatives who together represent one-fifth (20%) of the votes entitled to be cast at such meeting shall constitute a quorum at all Association Meetings. Except as otherwise required herein, any action of the Members shall require the affirmative vote of the holders of a majority of the votes entitled to be cast at the meeting at which a quorum is present.

M. Conduct of Meetings: The President of the Association shall preside over all Association Meetings, and the Secretary of the Association shall keep the minutes of the

Association Meetings and record in a minute book all resolutions adopted and actions taken at said meetings, as well as the recording of all other business transactions occurring thereat. In order to maintain an orderly meeting, only the Class D Member and the Neighborhood Representatives are allowed to speak at any Association Meeting unless the President of the Association recognizes a Member Representative to speak at an Association Meeting.

## ARTICLE V

### BOARD OF DIRECTORS

A. In General: The business and affairs of the Association shall be managed and governed by the Board. The initial Directors named in the Articles of Incorporation and their successors who are appointed by the Board to fill vacancies on or before the Class D Membership Termination Date, need not be Members, provided, however, that all Directors elected after the Class D Membership Termination Date shall be required to be either an individual Member Representative or an officer or authorized agent of a Member Representative which is not an individual. In no event shall an individual and his or her spouse serve on the Board at the same time. In the event a Member Representative which is not an individual is elected as a Director, that Member Representative shall appoint in writing an officer or agent to serve as Director.

B. Number of Directors: In no event shall the number of Directors of the Association be less than five (5), although the number of directors of the Association may be increased from time to time by amendment to these Bylaws. Each Director of the Association shall be an individual who has attained at least twenty-five (25) years of

age. The number of initial Directors of the Association named in the Articles of Incorporation is five (5), which shall be the number of Directors fixed by these Bylaws.

C. Nomination of Directors: On and before the Class D Membership Termination Date, no election of Directors to the Board shall be held and, therefore, no nominations for election will be made. After the Class D Membership Termination Date, nominations for election to the Board shall be allowed and shall be submitted in writing to the President or to the Secretary of the Association on or before the deadline set by the Board for accepting nominations. Nominations shall not be permitted from the floor at any meeting.

D. Election and Term of Office: Except for the initial Directors of the Association named in the Articles of Incorporation and only after the Class D Membership Termination Date, Directors of the Association shall be elected in accordance with the terms and conditions contained in this Paragraph D of Article V hereof.

(1) In the case of the initial Directors named in the Articles of Incorporation, each Director shall serve until the Class D Membership Termination Date and, thereafter, until his successor is duly elected and qualified in accordance with subparagraph D.(2) below, unless such Director's term is earlier terminated as provided in subparagraph D.(3) below. The immediately preceding sentence shall be deemed to be a provision fixing the term of office of the initial Directors. Any vacancy created on or before the Class D Membership Termination Date in any directorship position occupied by an initial Director shall be filled in accordance with Paragraph F of this Article V.

(2) After the Class D Membership Termination Date and within one hundred twenty (120) days thereafter, the then constituted Board shall cause to be called a special Association Meeting for the purpose of electing an entire new Board; provided, however, that no special Association Meeting need be called if the annual Association Meeting is to be held within one hundred twenty (120) days after the Class D Membership Termination Date. The Member Representatives shall elect a Member Representative for each directorship position by the affirmative vote of Member Representatives representing a majority of the votes of the Association entitled to be cast thereat. The first set of Directors elected after the Class D Membership Termination Date shall be elected for one (1) and two (2) year staggered terms, respectively, and at each annual Association Meeting after such set of Directors is elected, three (3) Member Representatives will be elected to serve as Directors for a full two-year term allowing for continuity on the Board, unless such Director's term is earlier terminated in accordance with subparagraph D.(3) below. The specific directorship positions on the first set of elected Directors for which a Director will serve a one-year or two-year term shall be designated by the Board prior to the first election of Directors by the Member Representatives. No Director shall serve for more than two (2) successive terms, except that the three (3) Directors elected immediately after the Class D Membership Termination Date who served one-year terms, respectively, may serve two additional successive two-year terms.

(3) Anything contained herein to the contrary notwithstanding, and regardless of whether such Director is an initial Director, an appointed successor to an initial Director or an elected Director, a Director's term shall automatically be terminated and the Director's position vacated upon the death of a Director, upon said Director ceasing to be

a Member Representative (if membership in the Association is a requirement for that individual to be a Director), upon voluntary resignation by a Director, upon said Director becoming over sixty (60) days past due in the payment of any Assessment or indebtedness to the Association (if membership in the Association is a requirement for that individual to be a Director) or upon said Director being removed from office.

E. Removal of Directors: Directors may be removed with or without cause in accordance with the terms of this paragraph E. On and before the Class D Membership Termination Date, any Director may be removed from office with or without cause only upon the written request of the Class D Member, or Member Representatives, who represent a majority of the votes entitled to be cast at an Association Meeting called for the purpose of removing the Director, provided, however, that no Association Meeting need be called to remove the Director. After the Class D Membership Termination Date, a Director may be removed from office only upon the written request of Member Representatives representing a majority of the votes entitled to be cast at a special Association Meeting called for the purpose of removing the Director. A Director shall be removed effective at the time such Director is provided with a written notice of removal unless a later date is specified in the written notice of removal. If a stated purpose in the notice of the special Association Meeting which is held for the purpose of removing a Director, or if a waiver of notice is signed by the number of Member Representatives sufficient to remove a Director hereunder, a new Director may be elected at such special Association Meeting.

F. Vacancy: Any vacancy occurring in the Board and any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote

of a majority of the then remaining Directors, though less than a quorum of the Board. Any Director appointed to fill a vacancy hereunder shall serve only for the remainder of the unexpired term of the predecessor Director whose term is being filled, unless the Director appointed to fill the vacancy is otherwise elected or reelected to an additional term or terms.

G. Regular Meetings: Regular meetings of the Board shall be held at such time and at such place as shall be determined by a majority of the Directors at the first Board meeting of the fiscal year, provided, however, that at least two (2) such meetings shall be held during each fiscal year. No notice of said meeting shall be required.

H. Special Meetings: Special meetings of the Board shall be called by the President or Secretary when requested in writing by at least two (2) Directors and may be called at any time by the President, in either case such meeting shall be called by providing notice thereof. The notice shall specify the time and place of the meeting and the purpose or purposes for which the meeting is held. Such notice shall be given to each Director at least forty-eight (48) hours before said special meeting is to commence and may be given by any of the following methods:

- (a) personal delivery;
- (b) telephone communication;
- (c) telecopier facsimile transmission; or
- (d) electronic mail.



I. Waiver of Notice: Any Director may waive notice of a meeting, either before or after the time stated in the notice for the meeting, by signing a written waiver of notice of the meeting. The waiver of notice need not specify the purpose of said meeting. Attendance of a Director at a meeting shall constitute a waiver of notice by the Director unless the Director objects, at the beginning of the meeting, to the transaction of business at the meeting because of improper notice.

J. Action of Board; Quorum of Directors: The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless a greater vote is required by the Act, the Articles of Incorporation or these Bylaws. At all meetings of the Board, a majority in number of the Directors shall constitute a quorum for the transaction of business. If a quorum is initially present, the meeting may continue to transact business regardless of the withdrawal of a Director, so long as any action taken is approved by at least a majority in number of the required quorum for that meeting.

K. Conduct of Meeting: The President shall preside over all meetings of the Board and the Secretary shall keep a minute book of the meetings, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meeting.

L. Actions Without Formal Meeting: Any action of the Directors may be taken without a formal meeting if a consent, in writing, setting forth the actions so taken, is signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

M. Powers of Board: The Board shall have all the powers and authority necessary for the administration of the Association's business and affairs. In addition to, and not in limitation of, the foregoing grant of power and authority, the Board shall have the following powers and authority:

- (i) To establish, determine and fix all Assessments in accordance with Article VIII hereof; and
- (ii) To cause the Association to construct improvements and to cause the Association to repair, replace, maintain or improve any improvement on Association Property or upon any Area of Association Responsibility; and
- (iii) To review and approve the rules and regulations established by the Architectural Review Committee and the procedures relating thereto; and
- (iv) To cause the Association to take action to enforce compliance with the Declaration, these Bylaws, the ARC Guidelines and the Rules; and
- (v) To authorize the Association to repair a Member's Property in order to maintain compliance with the Rules and to assess the Member for such charges and expenses relating thereto; and
- (vi) To suspend the rights of a Member hereunder pursuant to the terms and conditions of these Bylaws or the Rules, provided, that, the suspension of rights of a Member shall only last for a period in excess of sixty (60) days unless the suspension of rights is due to the Member's failure to pay any Assessment due hereunder; and
- (vii) To authorize the borrowing of money for the purpose of constructing improvements, repairing, restoring or maintaining Association Property without the direct approval of the membership; and

(viii) To adopt rules and regulations regarding Members use and enjoyment of Association Property, and Areas of Association Responsibility; and

(ix) To authorize, empower, carry out and take any and all actions, for and on behalf of the Association, that the Board deems necessary or desirable for the purposes of the Association.

N. Bookkeeping, Accounts and Reports: The Board will see to it that the bookkeeping, accounts and reports of the Association are appropriately and accurately handled. No remuneration will be paid for bookkeeping or accounting services unless approved by the Board. Cash accounts of the Association shall not be commingled with other accounts. An annual statement reflecting the financial condition of the Association in all material respects shall be completed annually within one hundred twenty (120) days following the end of the Association's fiscal year. The Board may, in its sole discretion, engage the services of an independent certified public accountant to perform an audit of the books of the Association, at the Association's expense, and any such expense shall be deemed to constitute an Expense.

O. Rules and Regulations: The Board shall be authorized and empowered to establish, adopt, modify, amend and nullify rules and regulations regulating the actions of Members and the use of any property in Woodland Creek. The Board may adopt, modify, amend, and nullify any such rules and regulations without any approval of any Neighborhood Representatives.

P. Conference Telephone Proceedings: Directors of the Association may participate in a meeting of the Board by means of conference telephone or similar

communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

## ARTICLE VI

### OFFICERS

A. Officers: The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer and each will be elected by the Board. The Board may elect or appoint such other officers at any time and from time to time as it may deem desirable and such officers will have such powers and authorities as are delegated to them by the Board. Any two (2) or more offices may be held by the same person, except that no individual may simultaneously occupy the offices of President and Secretary. An officer is not required to be a Director.

B. Election, Term of Office, and Vacancies: The officers of the Association shall serve until the first meeting of the Board following each annual Association Meeting and, thereafter, until their successor has been duly elected and qualified, unless the term of the officer is earlier terminated by the officer's death, resignation or removal. A vacancy in any office shall be filled by the Board for the unexpired portion of the respective term at the regular or special meeting of the Board next following the event that created the vacancy.

C. Removal: Any officer may be removed by the Board at any time with or without cause upon delivery of a written notice of removal to such officer. The effective date of such removal shall be the date upon which the notice is delivered, if personally delivered, or mailed, if mailed certified mail, return receipt requested, to the officer's last known address with postage prepaid, unless the notice of removal specifies a later date.

D. Powers and Duties of Office: The officers of the Association shall have the powers and duties specified below:

1. President: The President shall preside "ex-officio" at all meetings of the Board, and shall see that all orders and resolutions of the Board are carried out. The President shall sign all notes, checks, leases, mortgages, deeds and all other written instruments and documents as may be incidental to the orders and resolutions of the Board, provided, however, that a resolution of the Board shall not be necessary for disbursements of the Association made in the ordinary course of business conducted within the limits of a budget adopted by the Board (if one is adopted). He shall have the active management of the operations of the Association, subject, however, to the control of the Board. In general, he shall perform all duties incident to the office of President and shall have such other duties and responsibilities as are delegated to him or her by the Board.

2. Vice-President: A Vice-President shall have such powers and perform such duties as the Board may prescribe or as the President may delegate to him. At the request of the President, any Vice-President may, in the case of the President's absence or inability to act, temporarily act in the President's place. In the case of the death of the

President, or in the case of the President's absence or inability to act, without the President having designated a Vice-President to act temporarily in his place, the Board shall designate a Vice-President to perform the duties of the President.

3. Secretary: The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the Association Meetings and of the Board meetings; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law; shall be custodian of the records and of the seal of the Association and shall see that the seal is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned to him or her by the Board or by the President.

4. Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts for the Association all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board (if one is adopted). The Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President, or, if the President is unavailable, the Vice-President.

E. Resignation: Any officer may resign at any time by delivering a notice in writing to the Board. Such resignation shall take effect either on the date stated in the

notice or on the receipt of such notice, whichever is later, and the acceptance of such resignation shall not be necessary to make it effective.

F. Agreements, Contracts, Deeds, Leases, and Checks, Etc.: Subject always to the specific directions of the Board and except as otherwise required in these Bylaws, all agreements, contracts, deeds, mortgages, and other instruments or documents made by the Association or to which the Association is a party shall be executed in its name by the President or the Vice-President and, when requested, the Secretary or an Assistant Secretary, if one is designated, shall attest such signatures and affix the corporate seal to the instruments.

G. Executive Director of the Association: Subject to the prior approval of the Board, the President may hire an individual to serve as Executive Director to be in charge of the day-to-day operations of the Association and such other individuals as employees of the Association as are deemed necessary or desirable by the President to assist in carrying out the day-to-day operations of the Association. The Executive Director may, in addition to his position as Executive Director, serve as a Director of the Association. The compensation and benefits, if any, to be paid to such Executive Director and employees shall be determined by the Board. The expenses relating to the compensation and benefits shall be considered Expenses of the Association. Any employee of the Association, including the Executive Director, may be removed at any time by the Board with or without cause.

H. No Contract Rights of Employment: Nothing contained in these Bylaws is in any way intended to create contract rights of employment and no provision, and nothing

contained herein, shall be deemed or construed to create contract rights of employment for any Director, officer, employee or agent of the Association.

I. Bonding: If the Board so decides, all officers and employees of the Association shall be required to be bonded by a surety company and in an amount both deemed satisfactory by the Board, with such bond fees to be an Expense of the Association.

## ARTICLE VII

### COMMITTEES

A. General: The Board may appoint such committees (which may include one (1) or more Directors and such other individuals as the Board may appoint, whether the individuals are Members or not) to perform such tasks and to serve for such periods of time as the Board may designate. Committees shall be established by a resolution passed by the Board, and the powers, duties and operational parameters of the committees shall be as stated within each appointing resolution, provided, however, that the committee shall not be granted authority by the Board that the Act prohibits the committee from having. The Board shall establish the number of persons to serve on the committee and shall select such individuals who are to serve thereon. The Board may remove at any time any individual appointed to serve on a committee with or without cause.

B. Architectural Review Committee: The Board will establish, by resolution, an Architectural Review Committee whose primary functions will be to (i) supervise, monitor, and enforce compliance with the terms and conditions of any Declaration and the ARC Guidelines and (ii) to review on behalf of the Association any and all plans and



specifications for any design, placement, construction, demolition, improvement, or grading within Woodland Creek before any such actions take place in Woodland Creek. The number and terms of the individuals serving on the Architectural Review Committee shall be established by the Board, and the individuals selected to serve on the ARC need not be Members of the Association. Subject to the prior review and approval of the Board, the ARC shall establish the ARC Guidelines. In addition to the authority granted to the ARC in this Paragraph B of Article VII, the Board may, at any time and from time to time, grant, by resolution, the ARC such other authority as the Board deems necessary or desirable. Individuals serving on the ARC shall be entitled to the same indemnification rights as Directors, and all of the provisions of Paragraph H of Article IX hereof shall apply and be available to each individual serving on the ARC.

## ARTICLE VIII

### ASSESSMENTS

A. Creation of Assessments: At the time a Member commences his membership in the Association, each Member covenants and agrees to pay to the Association with respect to his Member's Property the following: (a) an Initiation Assessment, as determined and provided for in Paragraph B of this Article VIII, (b) Base Assessments, as determined and provided for in Paragraph C of this Article VIII, (c) Special Assessments, as determined and provided for in Paragraph D of this Article VIII, (d) Neighborhood Assessments, as determined and provided for in Paragraph E of this Article VIII, (e) Individual Assessments, as determined and provided for in Paragraph F of this Article VIII, and (f) any and all other fines, fees, costs, expenses, interest and charges incurred by the Association in enforcing and collecting, or attempting to enforce and collect, the

Assessments from or against the Member, including reasonable attorneys' fees, costs and expenses, whether incurred at trial or on appeal. All Assessments against a Lot or Condominium Unit, together with all interest on such Assessments, and all costs and reasonable attorneys' fees, including appellate attorneys' fees and court costs, incurred by the Association in collecting or attempting to collect such Assessments, shall be an equitable charge and continuing lien upon such Lot or Condominium Unit, and upon the Member's Property contained therein, to be enforced as hereinafter provided. Each Member shall be personally and, if a Lot or Condominium Unit is owned by more than one Member, jointly and severally liable for the payment of all Assessments imposed against the Lot or Condominium Unit in which the Member owns a fee simple interest. Each Member's ownership of Member's Property shall be subject to the equitable charge and continuing lien for payment of any and all Assessments imposed against the Lot or Condominium Unit of which the Member's Property constitutes a part, together with interest on such Assessments, and costs and reasonable attorneys' fees, including appellate attorneys' fees and court costs, incurred by the Association in collecting or attempting to collect such Assessments, notwithstanding that such Assessments were imposed before that Member's ownership interest arose and notwithstanding that the Member may recover from his grantor any amounts paid by such Member to the Association. Each Member shall be personally and, if a Lot or Condominium Unit is owned by more than one Member, jointly and severally liable for the payment of all interest on such Assessments, and costs and reasonable attorneys' fees, including appellate attorneys' fees and court costs, incurred by the Association in collecting or attempting to collect an Assessment imposed against the Lot or Condominium Unit in which the Member owns a fee simple interest. Assessments shall be paid in such manner and on such dates as may be fixed from time to time by the Board in accordance

with the other provisions of these Bylaws. All Assessments shall be payable in all events without offset or reduction for any reason. In no event shall a Member's transfer of his Member's Property release or relieve such Member from his obligation or liability to pay with respect to such Member's Property Assessments, with interest thereon, and costs and reasonable attorneys' fees, including appellate attorneys' fees and court costs, incurred by the Association in collecting or attempting to collect the Assessment, which such Assessments, costs and attorneys' fees were payable for a period of time before the date of transfer of the Member's Property. In no event shall the continuing obligation or liability of a Member for payments of Assessments or charges with respect to a Member's Property that was transferred by the Member to a Person or Persons in any way relieve such Person or Persons who receive a fee simple ownership interest in such Member's Property of the recipient Person's or Persons' obligation or liability with respect to the Assessments, including interest thereon, costs, and reasonable attorneys' fees (including appellate attorneys' fees and court costs) imposed by the Association against such Member's Property.

B. Initiation Assessment. Each Member shall be subject to an Initiation Assessment each time such Member shall acquire Member's Property and also each time a Member shall lease his or her Member's property to another. For this purpose, each Member shall be required to notify the Association each time a Member Property is leased. In the event that a Member acquires more than one Lot or Condominium Unit, an Initiation Assessment shall be imposed with respect to each separate Lot or Condominium Unit, unless a Member sells one (1) Lot or Condominium Unit and simultaneously purchases another Lot or Condominium Unit within Woodland Creek, thereby "transferring" his membership. Initiation Assessments shall be established from

time to time by the Board in an amount not to exceed four (4) times the then maximum monthly Base Assessment amount.

C. Base Assessment: The Base Assessment determined hereunder shall be used by the Association for the payment of its Expenses. For each fiscal year of the Association, the Association shall assess against each Lot and Condominium Unit a Base Assessment in order to pay such Expenses for the following fiscal year, such Assessment to be payable at the times established by the Board. For the first fiscal year of the Association, the maximum monthly Base Assessment amount shall be \$58 per month, with such maximum monthly Base Assessment amount increasing, without the consent of the Members of the Association, for each fiscal year thereafter by the greater of the following two (2) amounts for any particular fiscal year: (i) ten (10%) percent of the prior year's maximum monthly Base Assessment amount; or the percentage of the prior year's maximum monthly Base Assessment amount equal to the percentage increase in the Association's actual cost experience determined over the immediately preceding fiscal year period. If the monthly Base Assessment is determined to be in excess of the maximum monthly Base Assessment amount allowed to be established without the consent of Members in accordance with the immediately preceding sentence, then the proposed Base Assessment amount which is determined to be in excess of the maximum monthly Base Assessment amount for such fiscal year shall be required to be approved by the affirmative vote of a two-thirds (2/3rds) majority vote of those votes cast by ballot at an Association Meeting at which at least sixty (60%) percent of the total votes entitled to be cast have been cast by ballot. If sixty (60%) percent of the total votes entitled to be cast thereat did not cast their vote by ballot, then no vote shall be held on the Base Assessment and a second Association Meeting shall be called upon notice for a special

Association Meeting for the purpose of approving such Base Assessment. At such second Association Meeting, the proposed Base Assessment amount shall be required to be approved by a two-thirds (2/3rds) majority vote of the votes cast by ballot at such second Association Meeting at which at least thirty (30%) percent of the total votes entitled to be cast thereat have been cast by ballot. If the proposed Base Assessment was not approved at the second Association Meeting, then the Base Assessment shall be the maximum monthly Base Assessment determined for the fiscal year without Member consent. The Board shall have the authority to establish the Base Assessment for each fiscal year at any amount up to and including the maximum amount allowed for such year (taking into account any Membership approval of a Base Assessment amount for each fiscal year). After the Board determines the amount of Base Assessments, the Board shall fix the date or dates upon which the Base Assessments shall be paid by the Members. The determination of such Base Assessment amounts and the dates upon which such Base Assessments shall be payable, will be mailed to each Member Representative at his or her address as designated on the books and records of the Association.

D. Special Assessments: In addition to the Base Assessments authorized in Paragraph C of this Article VIII, the Association may, at any time during each fiscal year, assess and levy on each Lot or Condominium Unit a Special Assessment for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of Association Property, or Area of Association Responsibility or the costs of any construction, reconstruction, repair or replacement of a capital improvement on Association Property or in an Area of Association Responsibility, including any fixtures or personal property related thereto; any significant increases in

taxes assessed against the Association that occur after the Board determines the Base Assessment amount; the costs of holding Association meetings; any fines, penalties or charges assessed against the Association by the Governmental Authority; any tax penalties; any and all litigation expenses not otherwise covered by insurance; reasonable reserves for Association Property; unforeseen operating contingencies; amounts to cover casualties not funded by insurance proceeds; and any other extraordinary costs which do not constitute an Expense of the Association, provided, that, any such Special Assessment shall be approved by an affirmative two-thirds (2/3rds) majority vote of those votes cast by ballot at a meeting at which at least sixty (60%) percent of all votes entitled to be cast thereat have been cast by ballot. If sixty (60%) percent of the votes entitled to be cast thereat are not cast at such meeting, then no vote shall be held on the Special Assessment and a second Association Meeting shall be called upon the notice required of a special Association Meeting for the purpose of approving the Special Assessment. At such second Association Meeting, the Special Assessment shall be approved if it receives the affirmative vote of a two-thirds (2/3rds) majority of those votes cast at such meeting if at least thirty (30%) percent of the total votes entitled to be cast have been cast by ballot. The Board shall determine the dates upon which such Special Assessments shall be due and payable. The final determination of such Special Assessment amounts and the dates upon which such Special Assessments shall be payable will be mailed to each Member Representative at his or her address as designated on the books and records of the Association.

E. Neighborhood Assessments: The Association may at any time during the fiscal year and from time to time during the fiscal year assess and levy on a Lot or Condominium Unit located within a particular Neighborhood a Neighborhood

Assessment or Assessments to fund those costs and expenses of the Association incurred with respect to a particular Neighborhood Area or with respect to a particular Neighborhood by which Members located within that Neighborhood predominantly receive the benefit from the Association outlay, as compared to Expenses of the Association through which all Members benefit. Neighborhood Assessments may also be assessed and levied for those costs and expenses incurred by the Association in causing improvements to be made in the Neighborhood upon the request of the Members within that Neighborhood. The Neighborhood Assessments provided for in this Paragraph may be levied by the Association at any time and from time to time during the fiscal year, and the amount and due date of such Neighborhood Assessment or Assessments shall be as specified by the Board in a notice mailed to the Member Representatives of the Lot or Condominium Units so assessed at his or her address as designated on the books and records of the Association. The Neighborhood Assessment shall be in addition to any and all other Assessments (whether or not any other Assessments are made), charges, costs, fees and fines provided for under the Declaration, the Articles of Incorporation, these Bylaws and the Rules.

F. Individual Assessments: Any damage to Association Property, or any costs or expenses of the Association, caused or incurred by the negligence, recklessness, or intentional action of less than all of the Members or by any Member, or the respective relatives, agents, guests, servants, employees, invitees or contractors of any Member, shall be specially assessed against the Lot or Lots or Condominium Unit or Units in which the respective Member or Members causing the expenses have Member's Property. The Board shall determine the Members whose negligence, recklessness or intentional action caused the damage or expenses, the amount of the Individual

Assessments and the dates upon which such Individual Assessments shall be due and payable. The Member or Members against whose Member's Property such Individual Assessments are made shall be notified in a writing mailed to the Member Representative or Member Representatives for those Lots or Condominium Units being assessed at his or her address as designated on the books and records of the Association. The Individual Assessment is in addition to any other Assessment (whether or not any other Assessments are made), charge, cost, fee or fine provided for under the Declaration, the Articles of Incorporation, these Bylaws and the Rules.

G. Commencement of Assessments: Base and Special Assessments shall commence as to each Lot or Condominium Unit on the date set and on the terms and conditions established by the Board. Any Neighborhood or Individual Assessment shall commence on the date those Assessments are imposed by the Association through action of the Board. The Initiation Assessment shall commence on the date the Member becomes a Member of the Association.



#### H. Remedies of the Association:

1. Interest: Each Member covenants and agrees to pay to the Association all Assessments and charges provided for herein when due. In the event any Assessment or any portion thereof is not paid when due, the Association may charge a late fee as shall be established by the Board from time to time, until the same is paid in full. If the Association engages an attorney to take any legal action in attempting to collect any amounts due from any Member, such Member agrees to pay all reasonable attorneys' fees, court costs and all other expenses paid or incurred by the Association in collecting or attempting to collect the amounts due from such Member. The lien and equitable charge upon each Lot or Condominium Unit, or Member's Property constituting a part of such Lot or Unit, for payment of Assessments as provided above shall also include a lien and equitable charge for all interest accrued thereon and all reasonable attorneys' fees, including appellate attorneys' fees, court costs and all other expenses paid or incurred by the Association in collecting or attempting to collect any unpaid Assessments.

2. Enforcement: In the event any Assessments or other amounts due the Association under this Article VIII are not paid by a Member when due, then, in addition to all of the rights and remedies provided at law or in equity, the Association may undertake any or all of the following remedies: (i) the Association may commence and maintain a suit at law against the Member to enforce payment of such Assessments and other amounts due the Association under this Article VIII; (ii) the Association may enforce the lien created pursuant to subparagraph G.3. below in the manner hereinafter

provided; and/or (iii) suspend all of the Member's rights to use Association Property or to exercise any other rights granted in these Bylaws or in any Declaration.

3. Continuing Lien: A continuing lien is hereby created on each Lot or Condominium Unit, or Member's Property constituting a part of such Lot or Unit, to secure the payment to the Association of any and all Assessments assessed and levied against the Lot or Condominium Unit and all charges, including interest and all reasonable attorneys' fees, including appellate attorneys' fees, court costs and other expenses, incurred by the Association in collecting or attempting to collect such Assessments. If any portion of an Assessment or other amount due the Association under this Article VIII remains unpaid for a period of sixty (60) days after the date such amounts were due, then the Association may, by written notice of default sent to the defaulting Member, demand payment of all delinquent amounts and charges. If the defaulting Member does not pay all amounts demanded within ten (10) days after receipt of the notice of default, the Association may file a notice of lien against the Lot or Condominium Unit to be recorded in the Probate Office. The Member hereby expressly grants the Association a power of sale for the Member's Property along with its lien hereunder. The lien provided for herein may be foreclosed in the same manner as a foreclosure of a mortgage on real property under the laws of the State of Alabama, as the same may be modified or amended from time to time. The Association shall have the right and power to bid at any such foreclosure sale and to purchase, acquire, exchange, hold, lease, mortgage, convey and sell any such Lot or Condominium Unit acquired.

Each Member shall be deemed to (1) grant to the Association, acting through its authorized agents, the right and power to exercise the power of sale granted herein and foreclose the lien created herein and (2) grant to the Association the right and power to bring all actions against such Member personally for the collection of all amounts due from such Member without first taking any action against any other Member.

4. Subordination of Lien: Notwithstanding anything provided herein to the contrary, the lien for Assessments and other charges authorized herein with respect to any Lot or Condominium Unit is and shall be subordinate to: (1) all liens for taxes, bonds, prior assessments, and other levies which by law would be superior thereto and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value.

I. Class D Member Option: Notwithstanding any other provision herein contained to the contrary, and only until the Class D Membership Termination Date, the Class D Member agrees to fund the “deficit” (as defined below) of the Association for each fiscal year before the Class D Membership Termination Date, which deficit shall constitute a lien against the Lots owned by the Class D Member until the deficit amount is fully paid as if such deficit were an Assessment under this Article VIII; provided, however, that the Class D Member shall be entitled to recover its subsidization of the “deficit” without interest thereon from any surplus monies received by the Association (including, without limitation, Assessments, interest, fines and incidental income) to the extent of such subsidization. Such recovery of the deficit amount may also be accomplished through the purchase by the Association of property used by the Association from the Class D Member, for more than nominal consideration but solely payable from such surplus monies. Notwithstanding anything contained herein to the contrary, the Developer’s recovery of the subsidization from the Association’s surplus may occur after the Class D Membership Termination Date. The “deficit” for which the Class D Member is to fund shall be the excess of

(i) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and other items for which a Special Assessment is or may be applicable) over (ii) the sum of all monies receivable by the Association (including, without limitation, Assessments, interest, fines and incidental income) for such year. Notwithstanding any other provision herein contained to the contrary, and only until the Class D Membership Termination Date, the Class D Member shall be subject to the Special Assessments determined in accordance with the provisions of Paragraph D of this Article VIII at the rate of twenty-five (25%) percent of the Special Assessment determined per Lot, but shall only be imposed with respect to those Lots owned by the Class D Member that are unoccupied at the time of the Special Assessment. In no event shall the Class D Member be responsible for or liable for funding any deficit after the Class D Membership Termination Date.

## ARTICLE IX

### MISCELLANEOUS

A. Fiscal Year: The initial fiscal year of the Association and any changes therein shall be established by resolutions of the Board of Directors as adopted from time to time.

B. Parliamentary Rules: Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of the Association Meetings when not in conflict with Alabama law, the Articles of Incorporation or these Bylaws.

C. Conflicts of Law: If there are any conflicts or inconsistencies between the provisions of Alabama law, the Articles of Incorporation, the Declaration, and these

Bylaws, then the provisions of Alabama law, the Articles of Incorporation, these Bylaws and the Declaration (in this order) shall prevail.

D. Books and Records: The Declarations, Articles of Incorporation, Bylaws, membership roster, books of account, and minutes of the Association Meetings, the meetings of the Board and committees thereof shall be made available for inspection and copying by any Mortgagee, any Member, or by his or her duly appointed representative, at reasonable times and for purposes reasonably related to the interests of the requesting party, at the office of the Association or at such other place as the Board shall prescribe. The Board may establish reasonable rules for the inspection of such documents, the copying of such documents and the usage of such documents, but in no event will the membership roster be made available to any individual for commercial purposes. Every Director shall have the absolute right, at any reasonable time, to inspect and/or copy any of said documents.

E. Seal: The seal of the Association shall be circular in form and mounted upon a metal die, suitable for impressing the same upon paper. About the upper periphery of the seal shall appear the words "Woodland Creek Homeowners' Association, Incorporated" and about the lower periphery of the seal, the word "Alabama." In the center of the seal shall appear the words "Corporate Seal" and "2007."

F. Notices: Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if mailed by first class mail with postage prepaid addressed to the following addresses:

1. If to a Member Representative or Neighborhood Representative, at the address to which the Member Representative or Neighborhood Representative, as applicable, has designated in writing and filed with the Secretary or, if no such address has been designated, at his or her Lot or Condominium Unit address; or

2. If to the Association, the Board of Directors, or the President, then at the principal office of the Association, if any, or at such other address as shall be designated for said entities or individuals on the records of the Association.

G. Amendment to Bylaws: These Bylaws may be repealed, modified or amended only by a majority vote of those votes entitled to be cast thereon at an Association Meeting at which a quorum is present.

H. Indemnification: No Director or officer, or former Director or officer, of the Association shall be personally liable to the Association or its Members or to any Person for monetary damages for breach of duty as a Director or officer of the Association except for acts or omissions which involve intentional misconduct or knowing violations of the law, or such other act, omission or misconduct for which the law of Alabama prohibits exculpation of such liability. The Association shall indemnify each and every Director, officer, former Director, or former officer of the Association, and each and every individual who may have served at the Association's request as a director or officer of another corporation, whether for profit or not, against expenses (including attorneys' fees) actually and reasonably incurred by such individual in connection with the defense of any action, suit or proceeding, civil or

criminal, in which such individual is made a party by reason of being or having been such director, or officer, except in relation to matters as to which such individual shall be adjudged in such action, suit or proceeding to be liable for actions which involve intentional misconduct in the performance of his or her duty. If the Act is hereafter amended to provide for more liberal indemnification of such expenses, such indemnification to the fullest extent then permitted by the Act, as amended, shall be provided such individual. The Association shall further indemnify any individual who was or is a Director or officer of the Association and any individual who may have served at its request as an officer, director, partner, employee or agent of another corporation, whether for profit or not, against judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with any action, suit or proceeding, civil or criminal, in which he or she is made a party by reason of serving or having served in such capacities, if such individual acted in good faith and in a manner that such individual reasonably believed to be in and not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the individual did not act in good faith and in a manner that he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, shall not of itself create a presumption that the individual had reasonable cause to believe that his or her conduct was unlawful. To the extent that such individual has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to herein or any claim, issue or matter therein, such individual

shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith, notwithstanding that such individual has not been successful on any other claim, issue or matter in any such action, suit or proceeding. Any indemnification hereunder shall be made by the Association only as authorized in the specific case upon a determination that indemnification of such individual is proper in the circumstances because such individual has met the applicable standard of conduct set forth herein. Such determination shall be made by (a) the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable a quorum of the disinterested Directors so directs, by independent legal counsel in a written opinion. Expenses (including attorneys' fees) incurred in defending any such action or proceeding may be paid by the Association in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such individual to repay such amount, if any, that shall ultimately be determined that such individual is not entitled to be indemnified for by the Association as authorized herein. When not advanced, such expenses incurred shall be paid upon such terms and conditions, if any, as the Board deems appropriate. The indemnification and advancement of expenses herein provided shall not be deemed exclusive of, and shall be in addition to, any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, rule of law, provision of bylaw, agreement, vote of members or disinterested Directors or otherwise. The indemnification and advancement of expenses herein provided shall continue as to an individual who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors and administrators of such individual. All of the foregoing



provisions of this Paragraph H shall apply with like and equal effect to each and every member of the ARC established by the Board in accordance with the Bylaws. The Association shall have the power, but not the obligation, to purchase and maintain insurance on behalf of any individual who is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association on the ARC or as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such individual in such capacity or arising out of such individual's status as such, whether or not the corporation would have the power to indemnify such individual against such liability were such individual working in such capacity for the Association.

I. Miscellaneous:

1. No representation or warranty is made by the association or developer in these bylaws or otherwise, nor is any assurance given by the association or developer to any member or members or person or persons, that any facilities or amenities are or will be constructed within Woodland Creek by either the association, the developer or anyone else.

2. Nothing contained herein shall constitute or be deemed to constitute a representation, warranty or assurance by either the Association or Developer to any Member or Members or Person or Persons that any Neighborhood shall only consist of similar or same use improvements and dwellings.

3. Nothing contained herein shall constitute or be deemed to constitute a representation, warranty, assurance or promise to any Member or Members or Person or Persons that Developer shall at any time plat any Additional Property or contribute, transfer, convey, plat or dedicate all or any additional portions of the Property. Nothing herein shall prohibit the Developer from developing, dealing with or otherwise using any property outside Woodland Creek in any manner as the Developer, in its sole discretion, so desires.

4. Nothing contained herein shall constitute or be deemed to constitute a representation, warranty or assurance by either the Association or Developer to any Member or Members or to any Person or Persons that additional Lots will not be added to a particular POD or PODs. In the event that such additional Lots are added to a POD or PODs, the voting power at a Neighborhood Meeting of the Member Representatives who are or which are located within a POD to which Lots have been added will be diluted and reduced on a percentage basis by the placement of the additional Lots as compared to such Member Representative's voting power before addition of the Lots.

5. Nothing contained herein shall constitute or be deemed to constitute a representation, warranty, assurance or promise to any Member or Members or to any Person or Persons that the Association or Developer will either now or in the future provide any security force or device to provide protection for Members, Member's Property or any other persons or property located within Woodland Creek. In no event shall the Association or the Developer be obligated to or responsible for providing any security service or services, security devices, or surveillance devices to provide protection for Members, Member's Property or any other persons or property located within

Woodland Creek. Association and Developer shall not be responsible or liable for any damages or losses caused by any failure to provide any security or surveillance service or services, including security devices, to provide protection for the persons or property located within Woodland Creek. Furthermore, the provision of a guard house or any other property which could be used for security or surveillance purposes shall not constitute a promise or obligation on either the Association or Developer to provide security services either now or in the future. In the event that any security or surveillance service or device is provided by either the Association or the Developer, the Association or Developer shall be entitled to discontinue any such security service or services, or device or devices, at any time and from time to time, and neither Association nor Developer shall be responsible or liable for any losses or damages caused by such discontinuation of service. In no event shall either the Association or the Developer be responsible for any damages caused by any loss of property or injury caused to a person located within Woodland Creek which damage or injury is caused by theft, criminal activity or any other activity which could have been prevented by a security or surveillance service or device.

J. Gender References: Notwithstanding the use primarily of the masculine gender herein, pronominal references to Members, Member Representatives, Neighborhood Representatives, Directors, officers, agents or employees shall include the masculine, feminine and neuter gender, as the context requires.

K. Severability: The invalidity or unenforceability of any particular provision of these Bylaws shall not affect any of its other provisions, and these Bylaws shall be

construed in all respects as if any invalid or unenforceable provisions were omitted, giving affect to those provisions which are valid and enforceable under law.

L. Use of Phrases: "Herein", "hereby", "hereunder", "hereof", "hereinbefore", "hereinafter", and other equivalent words refer to these Bylaws as a whole and not solely to the particular portion thereof in which any such word is used.

M. Annexation of Property: Any further annexation of real property to or for Woodland Creek shall be subject to the affirmative vote of a two-thirds (2/3rds) majority of the total votes entitled to be cast on such matter at an Association Meeting at which a quorum is present.

N. Easement: Subject to the restrictions and limitations imposed by rules and regulations adopted by the Board from time to time on the use and enjoyment of Association Property by Members (including the Members' families, tenants, guests and invitees) and only as hereinafter provided, each Member is hereby granted a non-exclusive easement of use and enjoyment over Association Property and, to the extent necessary to provide access to the Member's Lot or Condominium Unit or to the extent necessary to provide for utilities serving that Lot or Unit, a non-exclusive easement for egress and ingress over Association Property; provided, however, that (i) in all events the Association shall have the right and ability to transfer and convey at any time and from time to time a fee simple title to, or a fee simple interest in, all or any part of Association Property without the joinder of any Member, free and clear from any and all easements or interests of any and all Members; (ii) in all events the Association, acting through the Board, shall be entitled to adopt at any time and from time to time rules and regulations

governing the use or enjoyment of Association Property and the personal conduct of Members (including their families, tenants, guests and invitees) thereon without any Member consent or approval; (iii) the Association may at any time or from time to time charge reasonable admission or other fees for special or extraordinary uses of Association Property without the consent of any Member; (iv) in all events and without in any way limiting the powers of clause (i) above, the Association may transfer at any time and from time to time fee simple title to, or a fee simple interest in, all or any part of Association Property for the purpose of adjusting lot lines, adjusting roadways or infrastructure construction without the joinder or consent of any Member; (v) in all events the Association shall have the right to mortgage or encumber at any time and from time to time the Association Property without Member consent unless such consent is otherwise required elsewhere in these Bylaws; (vi) in all events the Association shall have the right to suspend at any time and from time to time and without the consent of any Member the rights to use and enjoyment of Association Property by any Member (including suspending the use and enjoyment of such Member's family, tenants, guests or invitees) for a period not to exceed sixty (60) days under the terms and conditions of these Bylaws or the Rules, except that such rights of use and enjoyment may be suspended for a period in excess of sixty (60) days for failure to pay Assessments, in which case such rights of use and enjoyment may be suspended until the Assessments are fully paid and satisfied; (vii) the Developer reserves the right to use at any time and from time to time on and before the Class D Membership Termination Date any and all portions of Association Property for any sales or marketing purposes that Developer desires without any Member consent; (viii) the Developer reserves the right to reserve easements across Association Property for development purposes without any Member consent; and (ix) the Developer reserves the

right to grant, terminate or vacate at any time and from time to time easements across Association Property for installation and maintenance of utilities, storm water or other water management, or provision of services to units.

O. Effect of Leasing: Notwithstanding anything contained in these Bylaws to the contrary, in the event that a Member shall lease a Member's Property for occupancy or otherwise, the Member shall cease to be entitled to use the Association Property by reason of their ownership of the Member's Property so leased. For all purposes under these Bylaws, the Association shall be entitled to enforce, jointly and severally, against the Member and the lessee of the Member's Property as if such lessee was also a Member the terms and provisions of these Bylaws, the Declaration, the ARC Guidelines, and the Rules adopted from time to time by the Board, including, but not limited to, suspending and barring the use of amenities, facilities and improvements or other Association Property by such lessee or Member for failure to adhere to the Rules imposed by Association relating to the use and enjoyment of the amenities including, but not limited to, the registration of the lessee with the Association and the notice of transfer of a Member to the lessee of Member's rights to use and enjoy the Association Property with respect to the Member Property so leased. Any failure by the lessee or the Member to adhere to any of such Rules, these Bylaws, Declaration or ARC Guidelines shall entitle the Association to impose Individual Assessments, together with interest, fines and penalties, on both the Member and the lessee, jointly and severally, for either the Member's or lessee's failures and may be enforced against the Member and the lessee as Assessments hereunder. Moreover, any failure by a Person living in Member's Property to adhere to any of such Rules, these Bylaws, the Declaration or ARC

Guidelines shall be deemed for all purposes to be the failure of a Member under these Bylaws.

## **EXHIBIT "A"**

### **Legal Description**