

STATE OF ALABAMA)
COUNTY OF SHELBY)

**DECLARATION OF RESTRICTIVE COVENANTS FOR
YELLOW LEAF CREEK FARMS**

THIS DECLARATION IS IN DRAFT FORM AT THIS TIME, AND SHALL BE SUBJECT TO FURTHER CHANGE. THIS DECLARATION IS BEING PROFFERED FOR REVIEW AT THIS TIME SOLELY FOR THE PURPOSE OF INDICATING THE TYPE OF RESTRICTIONS THAT ARE EXPECTED TO BE PLACED UPON THE PROPERTY. MORE OR LESS COVENANTS AND RESTRICTIONS MAY BE INCLUDED IN THE FINAL DRAFT OF THIS DECLARATION, WHICH WILL BE RECORDED UPON COMPLETION OF THE SUBDIVISION PROCESS AND PRIOR TO THE CONVEYANCE OF ANY LOT WITHIN SUCH SUBDIVISION.

KNOW ALL PERSONS BY THESE PRESENTS: That:

WHEREAS, DDF TWO, LLC, an Alabama limited liability company (the “Developer”), has heretofore acquired fee simple title to certain real property described on the attached Exhibit “A”, which is incorporated herein by this reference (the “Property”); said Property being situated in Shelby County, Alabama.

WHEREAS, the Developer intends to subdivide the Property into _____ (__) lots to be known as Yellow Leaf Creek Farms Subdivision (the “Subdivision”) .

WHEREAS, the Developer desires to sell such lots within the Subdivision and subject the Property, the Subdivision and future owners of any lots within such Subdivision to the restrictions, conditions, agreements and covenants set forth in this Declaration of Restrictive Covenants for Yellow Leaf Creek Farms (the “Declaration”).

NOW, THEREFORE, the Developer does, upon recording hereof, declare and make the Property, and each lot now or hereafter included in the Subdivision of the Property, subject to the

covenants, conditions, restrictions, uses, easements, limitations, agreements and affirmative obligations set forth in this Declaration, all of which are declared to be in furtherance of a plan for the improvement of the Property in a desirable and proper manner, and all of which shall run with the land and shall be binding upon all persons, firms, entities, corporations, companies or partnerships having or acquiring any right, title or interest in the Property, any lot of the Subdivision, any part of the Property or any part of the Subdivision or any lot thereof; and shall be for the benefit of the Developer and each and every owner of the Property or interest therein, and each and every owner of any part thereof, including the said Subdivision or any lot within the said Subdivision. This Declaration and all rights, benefits and obligations hereof shall inure to the benefit of and shall be binding upon each successor in interest of the Developer, including, without limitation, the owners of lots within the Subdivision and their successors, personal representatives, assigns and mortgagees or security holders.

USE RESTRICTION. The Property will be used for single family residential purposes only and not for any trade or business. Home offices shall be allowed; provided such allowance is permitted and intended only to allow individual work at a structure located on a lot, but not for the conduct of business that would cause the presence of the general public on the Property. House trailer(s) (including doublewides) shall not be permitted regardless of configuration or add-ons. Mobile homes shall not be allowed as a residence, but may be stored as an ancillary recreation vehicle of the owner of the dwelling located upon the lot; provided that the lot may not be leased or used for the purpose of storing or using any Mobile home as a residence.

LOT RESTRICTIONS. No more than one single family residence shall be erected on any lot. One floor dwellings shall contain a minimum of twelve hundred (1200) square feet of heated/cooled living space. Two floor dwellings shall contain a minimum of seventeen hundred (1700) square feet of heated/cooled living space. Split level homes and one and one-half story dwellings shall contain a minimum of one thousand five hundred (1500) square feet of heated/cooled living space. Decks, attics, porches, garages, carports and basements shall not be considered heated/cooled living space. Modular homes shall be permitted provided the home meets the preceding requirements and the home selected by the owner is pre-approved by the

Developer (DDF TWO, LLC) or its designee to be placed on a lot. All roof lines shall have a minimum pitch of 7:12. Detached garages shall be permitted.

The owner of each lot shall, at all times, maintain the appearance of the lot to reflect the character of the development. Tall grass, trash, rubbish and general unsightly appearance of the lot is prohibited. The Developer shall have the authority to declare a lot unsightly and notify the owner to conform the appearance of the lot. Failure to do so within thirty (30) days following written notification by the Developer, shall result in the Developer having (and hereby is reserved and provided) the right to enter the lot to correct the nonconformity and charge the lot owner for actual expenditures, including attorneys' fees.

No lot shall be subdivided into a separate lot, except an adjoining lot may be subdivided and added to contiguous lots.

No signs, billboards, or other advertising shall be permitted except contractor, real estate and for sale or lease signs six (6) square feet or less, and no more than two signs shall be permitted on any lot. Signs must be removed within fifteen (15) days of completion of construction, sale or lease of the property. Signs placed by the Developer shall be permitted at all times.

While each lot is intended for single family residential use only, the owner shall be allowed to keep and maintain on any lot no more than four (4) horses for recreational use and enjoyment. The owner of the lot shall provide for the proper stabling of any permitted horse in a barn, and the proper containment fencing, with the location, construction and design of any barn and fencing to be approved by the Developer or its designee.

Cows, pigs, goats, chickens and other fowls and farm animals shall be prohibited. Excepting horses, as above permitted, only small domestic pets shall be permitted. Pets shall be contained, restrained, leashed or obedient to the lot owner's command. Any fencing required to contain a permitted pet shall be approved by the Developer or its designee. No animal or pet shall be permitted on any lot which causes obnoxious odors or constitutes a danger to the health or welfare of other residents in the Subdivision.

Home gas storage tanks shall be installed below finish grade or out of sight. Trash cans shall be screened or out of sight. Firewood shall be neatly stacked out of sight and not dumped.

All septic tanks must be of an improved type, such tanks together with adequate field lines must be approved and completely acceptable to the Shelby County Health Department. No septic tank or field line shall be constructed within twenty (20) feet of an adjoining lot or property line. No sewer or drainage lines shall be constructed or laid which shall empty on or become a nuisance to an adjoining lot, property line, road or into Yellow Leaf Creek.

When the construction of any structure is commenced, work thereon must be prosecuted diligently and continuously and must be completed as soon as is reasonably possible.

EASEMENTS. The Developer reserves unto itself, its successors and assigns, the following easements over each lot or parcel and the right to ingress and egress to the extent reasonably necessary to exercise such:

--UTILITIES AND DRAINAGE. Ten (10) foot easements are reserved on the inside of all lot lines of all lots of any division of Yellow Leaf Creek Farms. The said ten (10) foot easements are reserved for the installment of water lines, power lines, telephone lines, cable lines, and any and all other utility lines which may be placed within the Subdivision; together with the additional use and purpose of the draining and/or channeling of surface waters. The easement is for installation, maintenance and operation of same, including the right to install and maintain guide wires, braces, anchors, culverts and/or other hardware or appliances appropriate to such utilities and drainage. This easement includes the right whenever needed in connection with the use, installation, maintenance, or operation of such utilities and drainage to cut, trim, and/or remove trees and/or the vegetation within said easements; provided, however, that each lot owner shall be responsible for the maintenance of each easement within their lot as Developer shall have the right, but not the obligation, to maintain same.

BUILDING. No part of any building shall be located on any lot nearer than seventy five (75) feet to the public or private road that provides access, and no part of any building shall be located nearer than twenty five (25) feet to any adjoining lot line. It is specifically understood and agreed, however, that a purchaser of an irregularly shaped lot who wishes to have any of the

above requirements waived because of the shape of such lot may submit to Developer or its authorized agent a plot plan showing an alternative location for residential structure. Approval or any deviation from the above requirements is vested in the sole discretion of the Developer or its authorized agent.

No tower, satellite dish or antennae shall be erected, constructed or maintained unless same be not readily visible from the public or private road way or from property of others; EXCEPT that a small, roof-mount satellite dish shall be allowed.

MISCELLANEOUS. It is the intent of the Developer to preserve for present and future lot owners a heavily wooded physical environment in which a maximum amount of existing vegetation is preserved in an undisturbed state. Therefore, each lot owner in the Subdivision shall observe the following restrictions regarding removal and restoration of vegetation: No more than fifty percent (50%) of the trees per acre may be removed; any clear cutting or clearing for pastureland must be approved by the Developer or its authorized agent and must be located no closer than thirty (30) feet from any lot boundary line.

INSPECTION RIGHTS. The Developer or its authorized agent or designee may, at any reasonable time or times, enter upon and inspect any lot or improvements located upon any lot within the Subdivision for the purpose of ascertaining whether the lot owner is in compliance with the provisions of this Declaration, and neither the Developer nor its authorized agent or designee shall be deemed to have committed a trespass or other wrongful act by reason of such entry and inspection.

WAIVER OF LIABILITY. Neither Developer, nor its designees, agents, employees, officers, directors or shareholders, shall be held responsible for (i) any failure of act, compliance or enforcement of the obligations or requirements set forth in this Declaration; (ii) the exercise of any discretion in the enforcement, denial or approval pertaining to matters pertaining to this Declaration; (iii) the delay or timing of approval or denial of any matter submitted to Developer

or its authorized agent with respect to this Declaration; (iv) any other matters that may arise by virtue of Developer acting pursuant to or under the authority of the provisions of this Declaration; and all persons or entities acting under, by or through the authority imposed by the provisions of this Declaration, or acting in any capacity with respect to the provisions of this Declaration, do hereby waive, release, indemnify and hold harmless the Developer, its designees, agents, employees, officers, directors and shareholders, from and against any claim, liability, action, fine, expense, cause of action or other fines, fees, expenses or damages resulting from or arising in connection with any of the foregoing for any and every such cause.

GRANTEE'S ACCEPTANCE. The grantee of any lot, by acceptance of the deed or other instrument conveying an interest in or title to the Property or lot within the Subdivision, or any portion thereof, or the lessee of any lease or beneficiary under any other contract pertaining to, or executed for the purpose of conveying any rights or interest with respect to, the Property, a lot within the Subdivision, or any portion thereof, shall accept such deed, conveyance, lease or contract subject to each and all of the covenants, conditions, restrictions, uses, easements, limitations, agreements and affirmative obligations set forth in this Declaration, and all other easements, restrictions and reservations of record with respect to the Subdivision, lot therein or the Property. Every one of the provisions within this Declaration are hereby declared to be independent of, and severable from, the rest of the provisions hereof, as it is intended that each stand on its own merit, and in the event that any provision herein shall be deemed unlawful or unenforceable, it shall not effect the enforceability or lawfulness of any other provision hereof.

DURATION. This Declaration and the provisions hereof shall run with and bind the Property, the Subdivision and all lots therein, and shall inure to the benefit of and shall be enforceable by the Developer, its authorized agents and designees, and the owner of any lot included within the Subdivision, together with their heirs, successors, personal representatives and assigns, and shall continue for a period of ten (10) years from the date hereof, after which time this Declaration and the provisions hereof shall continue and be automatically extended for successive periods of ten (10) years. This Declaration and the provisions hereof shall be deemed

in force and effect until such time as Developer shall have recorded in the Probate Office of Shelby County, Alabama, an instrument modifying, amending or terminating this Declaration, in which case such instrument shall be deemed effective in place hereof. Developer shall have the right to so modify, amend or terminate this Declaration at any time, unilaterally, without the necessity of obtaining approval from any lot owner or other person, firm or entity. Notwithstanding any of the foregoing, in the event that the Developer has dissolved and a certificate of dissolution has been issued by the probate judge of Mobile County, Alabama, then the right to modify, amend or terminate this Declaration shall rest and vest with the owners of the Subdivision lots, with a two-thirds vote of such owners being required for any such modification, amendment or termination, and an instrument signed by such two-thirds owners being required to be recorded in the Probate Office of Shelby County, Alabama, in order to effectuate any such modification, amendment or termination.

IN WITNESS WHEREOF, the undersigned, as the Developer of the Property and the Subdivision, has caused this Declaration to be executed, under seal, as of this the ____ day of _____, 2009.

DEVELOPER:

DDF TWO, LLC

BY: _____

ITS AUTHORIZED MANAGER

STATE OF ALABAMA)
COUNTY OF MOBILE)

I the undersigned, a Notary Public in and for said County in said State, do hereby certify that _____, as a member of DDF TWO, LLC, whose name is signed to the foregoing Instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of this Instrument, he, in his capacity as such member, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this ____ day of _____, 2008.

Notary Public, State of Alabama at Large
My Commission Expires:

EXHIBIT A

Legal Description for Yellow Leaf Creek Farms:

The following property located in the County of Shelby, State of Alabama, to-wit:

SECTION 24:

in All that property lying South of Griffin road and West of the East boundary of Parcel V the South $\frac{1}{2}$ and the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$.

All in Township 20 South, Range 2 West, Shelby County, Alabama.

SECTION 25:

All that property lying north of Yellow Leaf Creek in the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$.

A part of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ described as being a 6 acre block in the Northwest corner of $\frac{1}{4}$ - $\frac{1}{4}$.

All in Township 20 South, Range 2 West, Shelby County, Alabama.