STATE OF ALABAMA)
)
COUNTY OF MADISON)



COMMON AREA MAINTENANCE AGREEMENT

THIS COMMON AREA MAINTENANCE AGREEMENT ("Agreement"), is made and entered into as of this the 12TH, day of February, 2008, by and between DILTINA DEVELOPMENT CORPORATION ("Developer") and City of Huntsville, a municipal corporation within the State of Alabama ("City"):

WITNESSETH:

WHEREAS, Developer is the owner of the real property described in Exhibit "A" attached hereto (the "Developer Property") which is embraced by the Final Plat/Boundary Plat of <u>OVERLAND COVE</u>, <u>A RESUBDIVISION OF LOTS 1-115 & TRACT A OF "THE VILLAGE AT OVERLAND COVE" DOCUMENT NO. 20070706000479640 (the "Plat")</u>, a copy of which is attached hereto as Exhibit "B", both of which, by this reference are incorporated herein and made a part hereof; and

WHEREAS, Developer intends to subdivide and/or develop the Developer Property into lots or units for development, sale and/or lease (the "Subdivision/Development"); and

WHEREAS, Developer has submitted said Plat to the Planning Commission of the City of Huntsville, Alabama (the "Planning Commission") for its approval; and

WHEREAS, Developer is desirous of establishing within the Subdivision/Development common areas for the common benefit, enjoyment and use of owners, occupants and guests of lands contained within the Subdivision/Development which common areas are designated on the Plat as "Common Area" and/or "Common Property" (the "Common Area"); and

WHEREAS, to promote the public health, safety, morals and general welfare, City is desirous of ensuring that the Common Area will be continually and properly maintained without expenditure of municipal funds so as to prevent burdening the general taxpayers with the cost of said maintenance.

NOW, THEREFORE, FOR AND IN CONSIDERATION of (a) the premises which are deemed a material part of this Agreement and, by this reference, are incorporated herein, (b) the mutual agreements, covenants, provisions and terms of this Agreement set forth herein, (c) the execution, acknowledgment and delivery of this Agreement by the parties hereto, and (d) other good and valuable consideration, the receipt and sufficiency of all of which is hereby expressly

1

CITY OF HUNTSVILLE ATTN: MICHAEL WEBB PLANNING DEPT PO BOX 308 HUNTSVILLE, AL 35804 acknowledged by City and Developer, and intending to be legally bound hereby, City and Developer agree and covenant with and unto each other, as follows:

- 1. <u>Definitions</u>. As used in this Agreement, the following terms shall have the following meanings unless the context clearly indicates otherwise:
 - a. <u>City</u>. This term shall mean and refer to the City of Huntsville, Alabama, and where necessary to perform the acts contemplated hereinafter shall include its officials, employees, contractors, and agents.
 - b. Private Owner. This term shall mean and refer to any person(s) and entity(ies) who are the grantee(s) in each deed or other conveyance recorded in the real estate records in the Office(s) of the Judge of Probate of the County(ies) in which the Subdivision/Development is located of the fee simple title to all or any portion of the real property embraced by the Plat, except for and excluding (i) a Public Owner and (ii) a Security Owner. This term "Private Owner" by definition shall include any owner of the Common Area including, but not limited to, an Association contemplated by Section 8. below.
 - c. <u>Public Owner</u>. This term shall mean and refer to any governmental entity owning any interest in any Public Areas.
 - d. <u>Security Owner</u>. This term shall mean and refer to any person or entity holding any interest in the Subdivision/Development solely as security for the performance or satisfaction of any obligation; provided, however, in the event a Security Owner succeeds to the right, title and interest of a Private Owner in and to any portion of the Subdivision/Development for any reason (whether by nonjudicial foreclosure, judicial foreclosure, conveyance in lieu of foreclosure or otherwise) then, in that event, and from and after the date of acquisition of title, said Security Owner shall become a Private Owner as to such portion of the Subdivision/Development and thus subject to the duties, liabilities, obligations and responsibilities of a Private Owner under this Agreement.
 - e. <u>Public Areas</u>. This term shall mean and refer to any lands, including without limitation improvements situated thereon, within the Subdivision/Development dedicated to and accepted by the public such as public streets and rights-of-way (the "Public Areas").

f. Private Owners' Lot/Unit. This term shall mean and refer to any lands within the Subdivision/Development owned by Developer or a Private Owner other than the Public Areas.

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- 2. Maintenance of Common Area. Developer and each Private Owner shall be jointly and severally responsible for the continuous and proper maintenance of the Common Area, including without limitation Public Areas situated thereon, within the Subdivision/Development without expenditure of municipal funds (the "Maintenance Obligations"). Such Maintenance Obligations shall be in conformance with all applicable laws now existing or hereafter established, including without limitation City ordinances and codes governing nuisances; and conformance with same shall be as determined by the City. Such Maintenance Obligations include, but are not limited to:
 - a. Control of grass and weeds, removal of junk and litter, and pest and rodent control, but shall not include maintenance which is performed by the City in accordance with applicable ordinances governing maintenance of Public Areas ("General Maintenance");
 - b. Maintenance of all public drainage features including, without limitation, public detention and/or retention ponds, culverts, drains and ditches and other public improvements, which maintenance shall include General Maintenance and control of water quality for algae, pond scum and any other such similar conditions ("Water Quality Control"), but shall not include maintenance which is performed by the City in accordance with applicable ordinances governing maintenance of public drainage easements ("Public Feature Maintenance");
 - c. Maintenance of all private drainage features including, without limitation, all private detention and/or retention ponds, culverts, drains and ditches and other private improvements, which maintenance shall include General Maintenance, Water Quality Control, and maintenance of the side slopes, erosion and siltation/sedimentation control, security, water levels, and any such other maintenance necessary for aesthetics, functionality and safety ("Private Feature Maintenance"); and
 - d. Maintenance of all private improvements, amenities and features including, without limitation, bath houses, fountains, lakes, lighting, signage, private streets, private ways, parking lots, playgrounds, ponds, pools, recreational areas and equipment, tennis courts, swimming pools, and other water features, which maintenance shall

include General Maintenance, Water Quality Control, Private Feature Maintenance, and any such other maintenance required to prevent the property from becoming a nuisance ("Private Amenities Maintenance").

- 3. Default in Maintenance Obligations. Upon the failure of Developer or a Private Owner to perform said Maintenance Obligations, and after any notice and opportunity to cure required by Section 7. hereof, the City shall have the right but not the obligation to perform, or have performed on its behalf, the Maintenance Obligations and shall have the right to receive joint and several full reimbursement from Developer and each Private Owner the costs of such Maintenance Obligations and the costs of collection of the same as set forth in Section 5. below.
- 4. Grant of Access. Developer, for itself and for each Private Owner, Public Owner and Security Owner, hereby grants City, and City's authorized agents, contractors, and employees, a continuous, permanent and irrevocable right of access across, along, over, under and through the Common Area and other unimproved portions of the Subdivision/Development to inspect the Common Area and, upon default by Developer and/or a Private Owner of the Maintenance Obligations, to perform the Maintenance Obligations whenever City deems necessary.
- Secovery of Maintenance Obligations Costs and Collection Costs. In the event that City performs any Maintenance Obligations, City shall have the unconditional right to recover jointly and severally from Developer and/or any one or more or all of the Private Owners (a) the costs and expenses of all labor, equipment, fuel, materials, services, supplies and similar items used in such performance ("Maintenance Obligations Costs"), and (b) the sum of all costs, disbursements and expenses (including reasonable attorneys and engineering fees) incurred in collecting the same, together with all statutory pre- and post-judgment interest ("Collection Costs").

Each Private Owner, by the acceptance of a conveyance for such Private Owners' Lot/Unit, whether or not expressed in such conveyance, is hereby deemed to agree and covenant to pay to City the Maintenance Obligations Costs and Collection Costs. All such Maintenance Obligations Costs and Collection Costs shall be both (a) the personal obligation of the Private Owner at the time when the Maintenance Obligations Costs and Collection Costs are incurred by City and (b) a charge and lien on such Private Owners' Lot/Unit.

The City shall be reimbursed for all Maintenance Obligations Costs and Collection Costs within twenty (20) days after City's written demand for the same.

As security for the prompt and faithful payment of the Maintenance Obligations Costs and the Collection Costs, City shall have, and is hereby granted, a lien (the "City Lien") against both the Common Area and each Private Owners' Lot/Unit, which City Lien is and shall be paramount and prior to all liens on the Common Area and each Private Owners' Lot/Unit except for and subject to (a) the lien for current and future ad valorem taxes and (b) the lien of a construction or first mortgage held by an institutional or private lender.

In the event Developer or any Private Owner shall fail to pay City the Maintenance Obligations Costs and the Collection Costs after said written demand for the same, City may pursue any one or more remedies for collection of the same (legal, equitable or otherwise) concurrently or consecutively (despite any defense of election of remedies or similar doctrines) including, but not limited to, a suit for money damages against Developer and/or one or more or all of Private Owners and/or enforcement of the City Lien against the Common Area and/or any one or more of the Private Owners' Lots/Units, whether by nonjudicial foreclosure, judicial foreclosure and/or otherwise.

6. Reimbursement of Maintenance Obligations Costs and Collection Costs. Any Private Owner (including Developer) who has paid to City any Maintenance Obligations Costs and Collection Costs shall have the unconditional right to recover jointly and severally from any other Private Owner (including Developer) the amount by which such paying Private Owner's payment to City exceeds his/her/its "Prorata Share". As used herein, the term "Prorata Share" means a fraction, (a) the numerator of which is one and (b) the denominator of which is the total number of Private Owners' Lots/Units within the Subdivision/Development excluding however the Common Area.

For example, and for illustration purposes only, assuming (i) the total Maintenance Obligations Costs and Collection Costs incurred by City in one instance is \$20,000.00, (ii) the total number of Private Owners' Lots within the Subdivision/Development are 50, and (iii) "Private Owner Smith" has paid City \$1,000.00 for Maintenance Obligations Costs and Collection Costs, then "Private Owner Smith" may recover from one or more of the remaining Private Owners (including Developer) up to each other Private Owner's Prorata Share the aggregate sum of \$600.00 calculated as follows:

 $1,000.00 - (20,000.00 \times 1/50) = 600.00$

- A Private Owner's right of reimbursement from any one or more other Private Owners (including Developer) shall in no way defeat, impair, prevent or prohibit City's recovery of Maintenance Obligations Costs and/or Collection Costs from Developer and/or any Private Owner.
- Notice and Cure. Except in the event of an immediate threat to the public health, safety, morals, general welfare or to public property in which event the City shall not be required to give Developer or any then-current Private Owner within the Subdivision/Development any notice or opportunity to cure, the City shall not perform the Maintenance Obligations on the Common Area until it has first given Developer or any then-current Private Owner within the Subdivision/Development notice of (a) the need to perform Maintenance Obligations on the Common Area and (b) thirty (30) days after the date of such notice within which to cure and perform the same.

Such notice may be given in City's absolute and sole discretion and option in any one of the following ways:

- a. By posting written notice upon the Common Area; or
- b. By written notice given by (i) personal delivery, or (ii) overnight commercial courier, or (iii) facsimile transmission or (iv) United States First Class Certified Mail, postage prepaid, Return Receipt Requested, and addressed to the Developer or any then-current Private Owner within the Subdivision/Development, as appears from the then current records in the Office(s) of the Tax Assessor of the County(ies) in which the Subdivision/Development is located; or
- c. By written notice left at the residence of the principal of the Developer or the residence of the authorized agent of the Association or the residence of any then-current Private Owner within the Subdivision/Development; or
- d. Publication of ten (10) days written notice in a newspaper of general circulation published in the County(ies) in which the Subdivision/Development is located.
- 8. <u>Association/Restrictions</u>. Nothing contained in this Agreement shall be construed or deemed as prohibiting the Developer and/or the Private Owners from (a) forming an owners, homeowners, condominium owners, business owners, or residence association (the "Association"), and/or (b) creating and establishing covenants, restrictions and/or restrictive covenants

(the "Restrictions"), for the benefit, construction, governance, insurance, maintenance, operation, repair and/or regulation, of the Subdivision/Development and/or the Common Area. Such Association and/or Restrictions may, inter alia, establish and impose construction, governance, insurance, maintenance, operating, repair and/or regulatory obligations and responsibilities equal to or greater than those set forth in this Agreement, but shall not abrogate, impair, hinder, lessen or extinguish those imposed by this Agreement, nor shall they affect or supercede the City's rights and remedies under this Agreement.

- 9. Additional Areas. In the event that any portion(s) of the Subdivision/Development not now designated as Common Area on the Plat is/are hereafter dedicated, denominated and/or used as Common Area for the Subdivision/Development or any other real property, then such other portions shall be *ipso facto* included within the term "Common Area" and subjected to this Agreement.
- 10. Termination of Developer's Liability. Notwithstanding anything contained in this Agreement to the contrary, Developer's liability under this Agreement will terminate when Developer is no longer a Private Owner.
- 11. Remedies Cumulative. The City's rights and remedies under this Agreement shall be in addition to any other rights and remedies it might now or hereafter have under any federal, state or local law.
- 12. <u>Authority and Power</u>. Each party covenants, represents and warrants to each other party that it has complete and unrestricted authority, power and right to enter into, execute and deliver this Agreement.
- 13. <u>Recordation</u>. This Agreement shall be recorded by City at Developer's prepaid expense in the real estate records in the Office of the Judge of Probate of each County in which the Property is located.
- 14. Covenants Running with the Land. This Agreement and each of its agreements, covenants, provisions and terms are covenants running with the land as to the Developer Property and the Subdivision/Development and shall be binding on City, Developer and Private Owners (and, if applicable, Association) and all persons and entities claiming under them for a period of twenty-five (25) years from the date this Agreement is filed for record in the Office(s) of the Judge of Probate of the County(ies) in which the Subdivision/Development is located, after which time this Agreement shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the City, Developer and a majority of the then Private Owners has

been filed for record in such Probate Judge's(s') Office, agreeing to abolish or amend this Agreement in whole or in part.

- 15. No Liability. Anything in this Agreement to the contrary notwithstanding, it is expressly agreed, intended and understood that (a) neither City nor any Public Owner nor any Security Owner has any duty, liability, obligation and/or responsibility to maintain or repair the Common Area within the Subdivision/Development, (b) in no event shall this Agreement be construed to impose any such duty, liability, obligation and/or responsibility on the City and/or on any Public Owner and/or on any Security Owner, (c) the maintenance and repair of the Common Area within the Subdivision/Development is at all times the direct and sole duty, liability, obligation and responsibility of Developer and each Private Owner, and (d) neither the City nor the Public Owners nor their respective agents, employees and/or assigns, shall be liable to Developer and/or any Private Owner and/or any other person or entity for (i) the manner in which any of them exercise, or for the failure or refusal of any of them to exercise any authority or right granted to them herein, whether discretionary or not; (ii) the failure or refusal of Developer and/or any Private Owner to comply with any of the agreements, covenants, provisions and terms hereof; and/or (iii) the failure or refusal of City to enforce any one or more of the agreements, covenants, provisions and terms hereof against Developer and/or any Private Owner, and their respective heirs, personal representatives, successors and/or assigns.
- 16. Entire Agreement/Merger. This Agreement, along with all exhibits and attachments or other documents affixed hereto or referred to herein (including, without limitation, the Plat), embodies the entire agreement, intent and understanding of City and Developer as to the transactions contemplated and evidenced hereby and merges herein all prior and contemporaneous agreements, covenants, discussions, representations, statements and understandings heretofore made between City and Developer as to such transactions, whether written, oral or both. Any agreements, covenants, representations, statements or understandings by and between City and Developer as to such transactions not contained herein are and shall be null and void, unenforceable and of no force and effect.
- 17. Applicable Law/Jurisdiction/Venue. This Agreement is made in, and thus shall be construed, controlled, enforced, governed and interpreted in accordance with its plain meaning in accordance with the internal laws of, the State of Alabama, without regard to principles of conflicts of laws. For any action concerning this Agreement (a) jurisdiction shall be in the appropriate state or federal courts sitting in Alabama and (b) venue (i) in Alabama state courts shall be in Madison County,

Alabama and (ii) in Alabama federal courts shall be in the United States District Court for the Northern District of Alabama, Northeastern Division.

- 18. Severability. If, for any reason or no reason, any agreement(s), covenant(s), provision(s), and/or term(s) of this Agreement (whether material to the bargain of City and Developer or not) should be declared illegal, null and void, unconstitutional and/or unenforceable, in whole or in part, by any court of competent jurisdiction, the offending portion of this Agreement shall be deemed severed herefrom as though the same was never a part hereof; provided, however, the remainder of this Agreement shall not be impaired and shall remain in full force and effect according to its remaining agreements, covenants, provisions and terms.
- 19. Binding Effect. City's and Developer's respective heirs, personal representatives, successors and assigns (including, but not limited to, the Private Owners and the Association) shall be fully bound by this Agreement and each and every agreement, covenant, provision and term hereof just as they are bound. Each and every agreement, covenant, provision and term of this Agreement inures, and shall inure, to the benefit of City and Developer and of their respective heirs, personal representatives, successors and assigns (including, but not limited to, the Private Owners and the Association).
- 20. Amendment, etc. Neither this Agreement nor any agreement, covenant, provision or term hereof, shall be amended, changed or modified in any respect, nor may any estoppel, novation or waiver regarding the same be effectuated, without City, Developer, and a majority of the then Private Owners (and, if applicable, the Association), first executing a writing, in equal dignity to this Agreement, embodying their complete and full agreement and understanding as to such amendment, change, modification, novation or waiver.
- 21. <u>Captions</u>. The captions of this Agreement are for convenience and reference only and in no way define, describe, extend or limit the intent or scope of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under their respective seals and delivered as of the date first above written.

[signatures on next page]

Attest: Charles E. Hagood

as Clerk-Treasurer of
City of Huntsville,
a municipal corporation
within the State of Alabama

CITY OF HUNTSVILLE, a municipal corporation within the State of Alabama

Loretta P. Spencer

Loretta P. Spencer As its Mayor

DILTINA DEVELOPMENT CORPORATION, an Alabama corporation,

TIM MORRIS

TS [SEAL]

As its: VICE PRESIDENT

[acknowledgements on next page]

STATE OF ALABAMA)
COUNTY OF MADISON)

I, MATTHEW S. GILLESPIE, a Notary Public in and for said County in said State, hereby certify that TIM MORRIS, whose name as VICE PRESIDENT of the DILTINA DEVELOPMENT CORPORATION, an Alabama corporation, is signed to the foregoing Common Area Maintenance Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Common Area Maintenance Agreement, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of the said Diltina Development Corporation, an Alabama corporation, as of the day the same bears date.

GIVEN under my hand and official seal on this the $\frac{12^{7H}}{1}$ day of FEBRUARY, A.D., 2008.

My Commission Expires:

Sept. 28, 2008

Notary Public State of Alabama County of Madison

NOTARY PUBLIC STATE OF ALABAMA AT LARGE MY COMMISSION EXPIRES: Sept 28, 2008 BONDED THRU NOTARY PUBLIC UNDERWRITERS

[SEAL MILLEW S. C.

STATE OF ALABAMA)
COUNTY OF MADISON)

I, Lore (ampbe), a Notary Public in and for said County in said State, hereby certify that Loretta P. Spencer and Charles E. Hagood, whose names as Mayor and Clerk-Treasurer, respectively, of the City of Huntsville, a municipal corporation within the State of Alabama, are signed to the foregoing Common Area Maintenance Agreement, and who are known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Common Area Maintenance Agreement, they, as such officers and with full authority, executed the same voluntarily for and as the act of the City of Huntsville, a municipal corporation within the State of Alabama, as of the day the same bears date.

GIVEN under my hand and official seal on this the 3rd day of March ____, A.D., 2008.

My Commission Expires: 1-31-2009

Notary Public State of Alabama

County of Madison [SEAI

DILTINA DEVELOPMENT CORPORATION

A special meeting of the Board of Directors of DILTINA DEVELOPMENT CORPORATION, was held at its office on the 24TH day of NOVEMBER, 2004, in Huntsville, Alabama.

All of the Directors being present, the meeting was called to order by MICHAEL W. FRIDAY.

Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that TIM MÖRRIS, is hereby appointed, as Vice President OF DILTINA DEVELOPMENT CORPORATION, and is authorized to execute any and all documents for the sale and purchase of property owned by, or to be purchased by DILTINA DEVELOPMENT CORPORATION.

RESOLVED, that the signing of these minutes constitute full ratification thereof and waiver of notice of the meeting by the signatures.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

Executed in Huntsville, Alabama this 24th day of November, 2004.

MICHAEL W FRIDAY PRESIDENT DILTINA DEVELOPMENT CORPORATION

STATE OF ALABAMA

COUNTY OF MADISON

BEFORE ME, a notary public in and for said county and state, personally appeared MICHAEL W. FRIDAY, as PRESIDENT OF DILTINA DEVELOPMENT CORPORATION, an Alabama corporation, known to me and known by me, to be the persons who executed the foregoing Agreement, and they acknowledged before me that they executed that Agreement for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the state and county aforesaid, this 24th day of November, 2004.

NOTARY PUBLIC:
COMMISSION EXPIRES: NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: July 2, 2008
BONDED THELL NOTARY PUBLIC LINES WELLERS

Exhibit "A"

State of Alabama County of Madison

All that part of a tract of land lying in Section 13, Township 3 South, Range 2 West of Madison County, Alabama and being the same property as described and recorded in Deed Book 179 Pages 322-323 in the Judge of Probate Office of Madison County, Alabama and is more particularly described as follows:

Commencing at a Rail Road Spike located in the center of the intersection of Indian Creek Road and Plummer Road, said point also being the center of the South boundary of said section; Thence N 00°46'23" E 369.01'; Thence S 89°13'37" E 37.96' to a Capped Iron Pin (Stamped #19740), said point being the Point of Beginning of subject tract; Thence along the East right-of-way of Indian Creek Road, N 00°46'23" E 443.82' to a Rebar: Thence leaving said right-of-way S 84°50'42" E 170.61' to a Capped Iron Pin (Stamped #19740); Thence N 07°14'20" E 88.63' to a Capped Iron Pin (Stamped #19740); Thence N 00°37'14" E 200.00' to a Capped Iron Pin (Stamped #19740); Thence N 89°22'46" W 179.56' to a Rebar along the East right-of-way of Indian Creek Road; Thence along said right-of-way N 00°46'23" E 255.79' to a Rebar, being the Northwest corner of subject tract; Thence leaving said right-of-way S 88°36'48" E 503.56' to a Capped Iron Pin (Stamped #19740); Thence S 01°23'12" W 132.00' to a Capped Iron Pin (Stamped #19740); Thence S 88°36'48" E 330.00' to a Capped Iron Pin (Stamped #19740); Thence N 01°23'12" E 132.00' to a Capped Iron Pin (Stamped #19740); Thence S 88°36'48" E 204.42' to a Rebar, being the Southeast corner of Lot 22 of Monrovia Pointe Phase II; Thence N 89°55'25" E 559.80' to a Rebar, being the Southeast corner of Lot 16 of Ponderosa Subdivision; Thence N 89°28'21" E 350.49' to a Rebar, being the Southeast corner of Lot 15 of Ponderosa Subdivision; Thence N 89°28'21" E 300.50' to a Capped Iron Pin (Stamped #19740); Thence S 25°29'49" W 242.12' to a Capped Iron Pin (Stamped #19740); Thence S 20°02'42" W 388.14' to a Capped Iron Pin (Stamped #19740); Thence S 01°00'54" E 536.92' to a Capped Iron Pin (Stamped #19740), said point being the Southeast corner of subject tract; Thence along a fence line N 88°36'58" W 1710.93' to a Capped Iron Pin (Stamped #19740); Thence leaving said fence line N 00°46'23" E 118.72' to a Capped Iron Pin (Stamped #19740); Thence N 89°14'52" W 325.04' back to the Point of Beginning and containing 49.29 Acres more or less.





