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57 PGS:AL-RESTRICTIONS	
603898	
07/18/2019 - 09:32 AM	
BATCH	603898
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	285.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	287.00

STATE OF TENNESSEE, WILLIAMSON COUNTY
SHERRY ANDERSON
REGISTER OF DEEDS

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
DAVENTRY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
DAVENTRY

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**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
DAVENTRY**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAVENTRY (the "Declaration") is made as of the date set forth on the signature page hereof by LAND DEVELOPMENT.COM, INC., a Tennessee corporation (the "Declarant").

This Declaration imposes upon the Properties mutually beneficial restrictions under a plan of development for the benefit of the owners of each portion of the Properties and establishes a flexible and reasonable procedure for the overall community, administration, maintenance and preservation of the Properties. In furtherance of such plan, this Declaration provides for Daventry Homeowners Association, Inc., to operate and maintain Common Property and to administer and enforce the provisions of this Declaration, the Bylaws, and the Architectural Standards (capitalized terms are defined in Article 1 below).

Declarant hereby declares that all of the property described on Exhibit "A" and any Additional Property subjected to this Declaration by Supplemental Declaration shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants, and conditions, which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding upon all parties having any right, title, or interest in any portion of the Properties, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner of any portion of the Properties.

ARTICLE 1: DEFINITIONS

The terms in this Declaration and the exhibits to this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1. **"Additional Property"**: Any real property contiguous to the Properties which is subject to annexation to the provisions of this Declaration in accordance with Article 8.

1.2. **"ARB"**: The Architectural Review Board, as described in Section 10.2.

1.3. **"Architectural Standards"**: The design, architectural and construction guidelines and application and review procedures applicable to all or any portion of the Properties which may be promulgated and administered pursuant to Article 10.

1.4. **"Area of Common Responsibility"**: Those areas or property, if any, which have been designated to be maintained by the Association or for which it has assumed responsibility.

1.5. **"Charter"**: The Charter of Daventry Homeowners Association, Inc., as filed with the Secretary of State of the State of Tennessee.

1.6. **"Association"**: Daventry Homeowners Association, Inc., a Tennessee nonprofit corporation, its successors or assigns.

1.7. **"Board of Directors" or "Board"**: The body responsible for administration of the Association, selected as provided in the Bylaws and serving as the board of directors under Tennessee corporate law.

1.8. **"Builder"**: Any Person who purchases one (1) or more Homesites for the purpose of constructing improvements for later sale to consumers or who purchases one (1) or more parcels of land within the Properties for further subdivision, development, and/or resale in the ordinary course of such Person's business. Any Person occupying or leasing a Homesite for residential purposes shall cease to be considered a Builder with respect to such Homesite immediately upon occupancy of the Homesite for residential purposes, notwithstanding that such Person originally purchased the Homesite for the purpose of constructing improvements for later sale to consumers.

1.9. **"Bylaws"**: The Bylaws of Daventry Homeowners Association, Inc., attached hereto as **Exhibit "B,"** as they may be amended from time to time.

1.10. **"Control Period"**: The period of time during which Declarant is entitled to appoint the members of the Board of Directors as provided in Section 4.2.

1.11. **"Common Property"**: All real and personal property, including easements and licenses, which the Association owns, leases or holds possessory or use rights in, for the common use and enjoyment of the Owners.

1.12. **"Common Expenses"**: The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents. Common Expenses shall not include any expenses incurred during the Control Period for initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by Members holding a Majority of the total votes of the Association.

1.13. **"Community-Wide Standard"**: The standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard shall initially be established by Declarant and may be more specifically determined by the Board of Directors and the Architectural Review Board.

1.14. **"Cost Sharing Agreement"**: Any agreement, contract or covenant between the Association and an owner or operator of property adjacent to, in the vicinity of, or within the Properties, for the allocation of expenses for amenities and/or services that benefit both the Association and the owner or operator of such property.

1.15. **"Days"**: Calendar days; provided however, if the time period by which any action required hereunder must be performed expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regular business day.

1.16. "Declarant": Land Development.com, Inc., a Tennessee corporation, or any successor, successor-in-title, or assign who takes title to any portion of the property described on **Exhibit "A"** for the purpose of development and/or sale and who is designated as Declarant in a recorded instrument executed by the immediately preceding Declarant; provided however, there shall be only one (1) "Declarant" hereunder at any time. Land Development.com, Inc. (in the event its rights as Declarant have been transferred or assigned to another party), and any other Person who subsequently transfers or assigns the rights of Declarant to another Person shall be known as a "predecessor Declarant", and, unless otherwise agreed to in writing, shall be entitled to the rights of a predecessor Declarant established in this Declaration.

1.17 "Development": "Development" shall mean and refer to Daventry, the Properties, the Common Property, and all improvements located or constructed thereon, and any portion of the Additional Property subjected to this Declaration. The term shall be used generally to describe the residential community of Daventry.

1.18 "Development Period": The period of time during which (i) Declarant owns any property which is subject to this Declaration, or (ii) any Builder owns a Homesite primarily for development and/or resale that was purchased from Declarant.

1.19 "General Assessment": Assessments levied on all Homesites subject to assessment under Article 9 to fund Common Expenses for the general benefit of all Homesites, as more particularly described in Sections 9.1 and 9.2.

1.20 "Governing Documents": The Declaration, Bylaws, Charter, all Supplemental Declarations, all Architectural Standards, the rules of the Association, all Cost Sharing Agreements, and all additional covenants governing any portion of the Properties or any of the above, as each may be amended from time to time.

1.21 "Homesite": A portion of the Properties, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use, and occupancy as a free-standing home for a single family, or an unplatted portion of the Properties. In case the Properties contain any unplatted parcels of land, such land shall be deemed to be a single Homesite until such time as a subdivision plat is filed with respect to all or a portion of the parcel. Thereafter, the portion encompassed by such plat shall contain the number of Homesites determined as set forth in the preceding paragraph and any portions not encompassed by such plat shall continue to be treated as a single Homesite in accordance with this Section.

1.22 "Majority": Those votes, Owners, Members, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

1.23 "Master Plan": The land use plan or development plan for "Daventry," as such plan may be amended from time to time, which plan includes the property described on **Exhibit "A"** of this Declaration. Inclusion of property on the Master Plan shall not, under any circumstances, obligate Declarant to subject such property to this Declaration, nor shall the exclusion of property from the Master Plan bar its later annexation in accordance with Article 8.

1.24 "**Member**": A Person subject to membership in the Association pursuant to Section 4.1.

1.25 "**Mortgage**": A mortgage, a deed of trust, a deed to secure debt, or any similar form of security instrument affecting title to any Homesite, but expressly excluding mechanics' liens, materialman's liens and other such security interests.

1.26 "**Mortgagee**": A beneficiary or holder of a Mortgage.

1.27 "**Owner**": One (1) or more Persons who hold the record title to any Homesite, including Declarant and any Builders, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.

1.28 "**Person**": A natural person, a corporation, a partnership, a limited liability company, a fiduciary acting on behalf of another person or any other legal entity.

1.29 "**Properties**": The real property described on **Exhibit "A"** as such exhibit may be amended or supplemented from time to time to reflect any additions or removal of property in accordance with Article 8.

1.30 "**Public Records**": The Williamson County, Tennessee public records.

1.31 "**Special Assessment**": Assessments levied in accordance with Section 9.5.

1.32 "**Specific Assessment**": Assessments levied in accordance with Section 9.6.

1.33 "**Supplemental Declaration**": An instrument filed in the Public Records which subjects any portion of the Additional Property to this Declaration and/or imposes, expressly or by reference, additional restrictions or obligations on the land described in such instrument.

ARTICLE 2: PLAN OF DEVELOPMENT AND COMMON PROPERTY

Daventry is a planned residential community, which is intended to consist of free-standing, single family dwellings and is served by public streets. The Properties consist of real property that may be developed in phases and expanded as permitted by this Declaration. The Common Property, which is intended to consist of all those portions of the Properties lying outside the boundaries of other Homesites, including open space, shall be conveyed to the Association.

The maintenance of each Homesite, including all improvements located thereon, shall be the responsibility of each Owner. Owners shall be responsible for the cost of repairing their driveways, and any utility lines not otherwise maintained by the utility company, running from the main line to the dwelling.

In recording this Declaration and in organizing the Association, it is the intention of Declarant to create a body of rules and regulations whereby the beauty of the community and the Homesites will be enhanced, and the Owners of the Homesites will have the means of enforcing the same to that end. It is further intended that each Owner have the right to use and enjoy the Common Property to the fullest extent possible, within the guidelines set forth in this Declaration, and subject

to such other rules and regulations governing the use of said Common Property as may be adopted by the Board of Directors. The easements established herein shall be construed in a manner so as to provide each Owner with access to the Owner's Homesite, for ingress and egress, for the maintenance thereof, and access to all utilities necessary or convenient for the use and enjoyment of each Homesite. Accordingly, the easements established herein in the Common Property, and in the Property, shall be considered appurtenant to each Owner's Homesite, and shall be included with the conveyance of each Homesite, whether or not such easements are specifically or expressly included or described in the deed conveying the same.

ARTICLE 3: PROPERTY RIGHTS

3.1. Common Property - General. Common Property shall include all real property (together with any and all improvements now or hereafter located thereon), and all personal property, both tangible and intangible, owned by the Association for the common use and enjoyment of the Owners, including easements and leaseholds held by the Association for such purpose, and as set forth above, it is intended by Declarant that such Common Property shall include all of the real property within the community located outside the boundary lines of the Homesites. The Association may acquire, hold, and dispose of all Common Property. Declarant and its designees, with Declarant's prior written consent, may convey to the Association improved or unimproved real estate, or interests in real estate, located within the property described in **Exhibit "A,"** personal property and leasehold and other property interests, including, but not limited to easements. Such property shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of its Members.

3.2 Common Property - Conveyancing. Conveyances of fee simple parcels of Common Property by Declarant shall be by quitclaim deed, free of all liens and mortgages, but subject to all matters of record and of survey. Declarant shall not be required to make any improvements or repairs whatsoever to property to be conveyed and accepted pursuant to this Section including, without limitation, dredging or otherwise removing silt from any lake, pond or other body of water that may be conveyed. The Association covenants and agrees that with respect to improved Common Property, issuance of a certificate of occupancy (if required) by the local governing authority shall be conclusive evidence that said property complies with all building and construction standards. Neither Declarant nor any successor Declarant shall be responsible for compliance with any requirements prescribed by any local governing authority after the issuance of a certificate of occupancy. Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Properties originally conveyed by Declarant to the Association for no (or nominal) consideration, to the extent conveyed by Declarant in error or needed by Declarant to make adjustments in property lines.

3.3 Use and Enjoyment of the Common Property. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Property, which is appurtenant to and shall pass with the title to each Homesite, subject to:

- (a) This Declaration and all other Governing Documents;
- (b) Any restrictions or limitations contained in any deed conveying Common Property to the Association;

(c) The right of the Board to adopt, amend and repeal rules regulating the use and enjoyment of the Common Property, including rules limiting the number of guests who may use the Common Property

(d) The right of the Association to rent, lease or reserve any portion of the Common Property to any Owner for the exclusive use of such Owner and his or her respective lessees, invitees, and guests upon such conditions as may be established by the Board;

(e) The right of the Board to suspend the right of an Owner to use any recreational and social facilities within the Common Property pursuant to Section 5.3;

(f) The right of the Board to impose reasonable requirements and charge reasonable admission or other use fees for the use of any facility situated upon the Common Property;

(g) The right of the Board to permit use of any facilities situated on the Common Property by persons other than Owners, their families, lessees and guests upon payment of reasonable use fees, if any, established by the Board;

(h) The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(i) The right of the Association, acting through the Board, to dedicate or transfer all or any portion of the Common Property, subject to any approval requirements set forth in the Governing Documents;

(j) The right of Declarant to conduct activities and establish facilities within the Properties as provided in Article 14;

(k) The right of the Association, acting through the Board of Directors and without a vote of the members, to dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Property; and

Subject to the foregoing, any Owner may extend his or her right of use and enjoyment of the Common Property to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board. An Owner who leases his or her Homesite shall be deemed to have assigned all such rights to the lessee of such Homesite.

Prior to conveyance of the Common Property to the Association, Owners shall have access and enjoyment to all land outside the boundaries of the Homesites as shown on any recorded subdivision plat of the Properties, subject to the right of Declarant to modify the boundaries of the Homesites.

3.4 Designated Areas of Common Responsibility. The following property and features are designated as "Areas of Common Responsibility" of the Association. While the Association may

not own such property or features, nevertheless, the Association is obligated to maintain the same in accordance with the Community-Wide Standards:

(a) The storm drainage system including all ponds established by Declarant and approved by the County, which drainage system shall not be disrupted by Owners without approval of the ARB or the County;

(b) All entry monuments, and landscaped property located within street islands, or rights-of-way for public roads not located within a Homesite;

(c) Any, sidewalk or other improved area for pedestrian traffic located within a Homesite over which the Association has an easement for construction or maintenance;

(d) Any entrance monument located within a Homesite;

(e) Such other Areas of Common Responsibility designated by Declarant or the Board or required by the governing authorities or zoning restrictions.

3.5 No Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Property. No Person shall seek any judicial partition unless the portion of the Common Property which is the subject of such partition action has been removed from the provisions of this Declaration. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of other real property which may or may not be subject to this Declaration.

3.6 Condemnation. The Association shall be the sole representative with respect to condemnation proceedings concerning Common Property and shall act as attorney-in-fact for all Owners in such matters. If any part of the Common Property shall be taken by any authority having the power of condemnation or eminent domain or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members holding at least sixty-seven percent (67%) of the total votes in the Association and, during the Development Period, the written consent of Declarant, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds of such conveyance. The award made for such taking or proceeds of such conveyance shall be payable to the Association.

ARTICLE 4: MEMBERSHIP AND VOTING RIGHTS

4.1 Membership. Every Owner shall be a Member of the Association. There shall be only one (1) membership per Homesite. If a Homesite is owned by more than one (1) Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 4.2(a) and in the Bylaws. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, member, manager, partner or trustee of such Owner, or by any individual designated from time to time by the Owner in a written instrument provided to the secretary of the Association.

4.2 Voting.

(a) Each membership, except for Declarant, shall have one (1) equal vote for each Homesite in which they hold the interest required for membership under Section 4.1; provided however, there shall be only one (1) vote per Homesite and no vote shall be exercised for any property which is exempt from assessment under Section 9.10. When more than one Person has an interest in the same Homesite, the vote for such Homesite shall be exercised as they, among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Homesite. In the event of disagreement among such Persons and an attempt by two or more of them to cast the vote of such Homesite, such Persons shall not be recognized and the vote of such Homesite shall not be counted.

(b) Declarant may appoint all or a majority of the members of the Board of Directors during the Control Period which shall continue until the first to occur of the following:

(i) Within four (4) months after one hundred (100%) percent of the Homesites contemplated by the Master Plan, as it may be amended from time to time, have certificates of occupancy issued thereon and have been conveyed to Persons other than Builders;

(ii) ten (10) years after the date of recording of this Declaration or any subsequently recorded Supplemental Declaration; or

(iii) when, in its discretion, Declarant so determines and voluntarily relinquishes such right in writing.

After termination of the Control Period, but continuing through the Development Period, Declarant shall have the right to veto actions of the Board and committees.

ARTICLE 5: RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

5.1 Function of Association. The Association shall be the entity responsible for management, maintenance, operation and control of the Common Property, the Areas of Common Responsibility and all improvements thereon. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Properties as the Board may adopt pursuant to Article 9. The Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in such Architectural Standards, as may be promulgated and adopted by the ARB. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of Tennessee.

5.2 Personal Property and Real Property for Common Use. As set forth in Section 3.1, the Association may acquire, hold, and dispose of tangible and intangible personal property and real property, and Declarant and its designees, with Declarant's prior written consent, may convey to the Association improved or unimproved real estate, or interests in real estate, located within the property described in Exhibit "A," personal property and leasehold and other property interests, including, but not limited to easements. Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Properties originally conveyed by Declarant to

the Association for no consideration, to the extent conveyed by Declarant in error or needed by Declarant to make adjustments in property lines.

5.3 Enforcement. The Board or any committee established by the Board, with the Board's approval, may impose sanctions for violation of the Governing Documents. Such sanctions may include, without limitation:

(a) imposing monetary fines which shall constitute a lien upon the violator's Homesite or other property subject to provisions of this Declaration (In the event that any occupant, guest or invitee of a Homesite violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the occupant; provided however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Board.);

(b) filing notices of violations in the Public Records providing record notice of any violation of the Governing Documents;

(c) suspending an Owner's right to vote and/or serve on the Board; provided that any such suspension shall be for the balance of the period in which said Owner shall remain in violation, breach or default, except that in the case of a violation of any use restrictions, or rules and regulations adopted by the Board relating to the use, operation and maintenance of the Common Property, the suspension may be for a period not to exceed sixty (60) days after the cure or termination of such violation;

(d) suspending any Person's right to use and enjoy the Common Property; provided however, nothing herein shall authorize the Board to limit ingress or egress to or from a Homesite;

(e) suspending any nonessential services provided by the Association to an Owner or the Owner's Homesite if the Owner is more than thirty (30) Days delinquent in paying any assessment or other charge owed to the Association; and

(f) in the event any Owner or other person subject to assessment is more than sixty (60) days delinquent in the payment of any assessment, notifying any or all Mortgagees having a security interest in the Owner's Homesite (or in property annexed pursuant to a Supplemental Declaration) that such Owner is in default in the performance of his obligations under this Declaration, and of those actions taken or proposed to be taken by the Association as a result of the default.

In addition, the Board, or the covenants committee if established, may elect to enforce any provision of the Governing Documents by exercising self-help (specifically including, but not limited to, towing of vehicles in violation of the Governing Documents, and the filing of liens in the Public Records for non-payment of assessments and other charges, the correction of any maintenance, construction or other violation of the Governing Documents). The Association may levy a Specific Assessment to cover all costs incurred in bringing a Homesite into compliance with the Governing Documents.

The Association may also elect to enforce any provisions of the Governing Documents by suit at law or in equity to enjoin any violation or to recover monetary damages or both.

All remedies set forth in this Declaration and the Bylaws shall be cumulative of any remedies available at law or in equity. In any action or remedy taken by the Association to enforce the provisions of the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, reasonable attorney's fees and court costs, reasonably incurred in such action.

The Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board in the exercise of its business judgment determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action or is not in the best interests of the Association based on all relevant facts and circumstances. Any such determination shall not be construed as a waiver of the right of the Association to enforce such provision under any circumstances or prevent the Association from enforcing any other covenant, restriction or rule.

The Association, by contract or other agreement, may enforce county, city, state and federal ordinances, if applicable, and permit local and other governments to enforce ordinances on the Properties for the benefit of the Association and its Members.

5.4 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by this Declaration or the Bylaws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the Bylaws, the Charter, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

5.5 Indemnification. The Association shall indemnify every officer, director, ARB member, and committee member against all damages, liabilities, and expenses, including reasonable attorney's fees, incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, ARB member or committee member, to the greatest extent permitted by Tennessee law, the provisions of this Declaration and the Charter.

The officers, directors, ARB members and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful and intentional conduct, gross negligence, reckless conduct or bad faith. The officers, directors, ARB members, and committee members shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers, directors, ARB members or committee members may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director, ARB member and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, ARB member or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and may obtain officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

5.6 Dedication of or Grant of Easements on Common Property. The Association may dedicate or grant easements across portions of the Common Property to any local, state, or federal governmental or quasi-governmental entity, for utilities or for any other reasonable purpose which does not violate the terms of this Declaration.

5.7 Security. Each Owner and occupant of a Homesite, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Properties. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. Neither the Association, the original Declarant, nor any successor Declarant shall in any way be considered insurers or guarantors of security within the Properties, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any security system or measure, including any mechanism or system for limiting access to the Properties, cannot be compromised or circumvented, nor that any such system or security measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants and all occupants of its Homesite that the Association, its Board of Directors and committees, Declarant, and any successor Declarant are not insurers and that each Person using the Properties assumes all risks of personal injury and loss or damage to property, including Homesites and the contents of Homesites, resulting from acts of third parties.

5.8 Cost Sharing Agreements. Adjacent to or in the vicinity of the Properties, there may be certain residential, nonresidential or recreational areas, including without limitation single family residential developments, retail, commercial, or business areas, which are not subject to this Declaration and which are neither Homesites, or Common Property as defined in this Declaration (hereinafter "adjacent properties"). The owners of such adjacent properties shall not be Members of the Association, shall not be entitled to vote, and shall not be subject to assessment under Article 9 of this Declaration.

The Association may enter into Cost Sharing Agreements with the owners or operators of portions of the adjacent properties:

(a) to obligate the owners or operators of such adjacent properties to share in certain costs associated with the maintenance, repair, replacement and insuring of portions of the Area of Common Responsibility, if any, which are used by or benefit jointly the owners or operators of such adjacent properties and the owners within the Properties;

(b) to permit use of any recreational and other facilities located on such adjacent properties by the Owners of all Homesites or by the Owners of Homesites within specified neighborhoods;

(c) to obligate the Association to share in certain costs associated with the maintenance, repair, replacement and insuring of portions of such adjacent properties, if any, which are used by or benefit jointly the owners or operators of such adjacent properties and the owners within the Properties; and/or

(d) to establish rules and regulations regarding the use of areas that benefit jointly the owners or operators of such adjacent properties and the owners within the Properties.

The owners or operators of such adjacent properties shall be subject to assessment by the Association only in accordance with the provisions of any such Cost Sharing Agreement(s). If the Association is obligated to share costs incurred by the owners of such adjacent properties, the Cost Sharing Agreement shall provide whether such payments by the Association shall constitute Common Expenses of the Association. The owners or operators of the adjacent properties shall not be subject to the restrictions contained in this Declaration except as otherwise specifically provided herein.

ARTICLE 6: MAINTENANCE

6.1 Association's Responsibility.

(a) The Association shall maintain and keep in good condition, order and repair the Area of Common Responsibility, which includes, but need not be limited to:

- (i) all Common Property;
- (ii) all designated Areas of Common Responsibility described in Section 3.4;
- (iii) all perimeter fencing, landscaping and other flora, parks, ponds, structures, and improvements, including any entry features and irrigation systems within the Common Property, parking areas, bike and pedestrian pathways/trails, if any, and recreation facilities, if any, situated upon the Common Property;
- (iv) all furnishings, equipment and other personal property of the Association;
- (v) all street lighting located within the Properties that is not the responsibility of Williamson County or other local governmental entity;
- (vi) any landscaping and other flora, buffers, entry features, structures and improvements included within public rights-of-way located within or abutting the Properties, including but not limited to street lights, or upon such other public land adjacent to the Properties as deemed necessary in the discretion of the Board;
- (vii) such additional portions of any features and property included within the Area of Common Responsibility as may be designated by this Declaration, any Supplemental Declaration, or any contract or agreement for maintenance thereof entered into by the Association;
- (viii) all ponds, streams, detention ponds, and/or wetlands located within the Properties which serve as part of the drainage and storm water retention system for the Properties, including any retaining walls, bulkheads or dams (earthen or otherwise) retaining water therein, and any fountains, lighting, pumps, conduits, and similar equipment installed therein or used in connection therewith; and

(ix) any property and facilities owned by Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from Declarant to the Association and to remain a part of the Area of Common Responsibility and be maintained by the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice to the Association.

(b) The Association shall maintain the facilities and equipment within the Common Property in continuous operation, except during periods when such facilities and equipment are being maintained or repaired.

(c) The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that such property is dedicated to any local, state, or federal government or quasi-governmental entity; provided however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

(d) Except as provided above, the Area of Common Responsibility shall not be reduced by amendment of this Declaration or any other means during the Development Period except with the written consent of Declarant.

(e) Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Homesites as part of the General Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to the Governing Documents, any recorded covenants, or any agreements with the owner(s) thereof.

(f) In the event that the Association fails to properly perform its maintenance responsibilities hereunder and to comply with the Community-Wide Standard, Declarant may, upon not less than ten (10) Days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred.

6.2 Owner's Responsibility. Except as expressly provided elsewhere in this Declaration, each Owner shall maintain all aspects of his or her Homesite and the improvements thereon. Each Owner shall also maintain any unimproved portion of a public right of way abutting said Owner's Homesite, which is not otherwise within the maintenance responsibility of the Association. In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Homesite and the Owner in accordance with Section 9.6(b). The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation. Notwithstanding any provision of Section 6.1 or this Declaration, any damage to the Common Property or Areas of Common Responsibility that is caused by the negligence or intentional act of an

Owner, the occupants of an Owner's Homesite, the Owner's agents, contractors, employees, licensees, guests or invitees shall be the responsibility of said Owner.

Notwithstanding any other provision of this Declaration to the contrary, each Owner shall be responsible for maintaining the area between the sidewalk in front of his Homesite and the street, regardless whether such area is part of the Owner's Homesite, Common Property or within a public right of way.

6.3 Standard of Performance. Responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all Governing Documents. Neither the Association nor any Owner shall be liable for any damage or injury occurring on, or arising out of the condition of, property which such Person does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

ARTICLE 7: INSURANCE AND CASUALTY LOSSES

7.1 Association Insurance.

(a) **Required Coverages.** The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(i) Blanket property insurance on any Common Property or Area of Common Responsibility (except dwellings owned by members);

(ii) Commercial general liability insurance on the Common Properties and on the Area of Common Responsibility, insuring the Association and its Members;

(iii) Workers compensation insurance and employer's liability insurance, if and to the extent required by law;

(iv) Fidelity insurance covering all Persons responsible for handling Association funds in an amount at least equal to 3 months General Assessments plus reserves; and

(v) Such additional insurance as the Board, in its best business judgment, determines advisable, which may include, without limitation, flood insurance and directors and officer's liability coverage.

In the event of an insured loss, the deductible shall be treated as a Common Expense and assessed against all Homesites. However, if the Board reasonably determines that the loss is the result of the negligence or willful misconduct of one (1) or more Owners, their guests, invitees, or lessees, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Homesites pursuant to Section 9.6.

(b) The Association shall arrange for annual reviews of the sufficiency of insurance coverage by one (1) or more qualified Persons, at least one (1) of whom must be familiar with insurable replacement costs in the Williamson County area.

All Association policies shall provide for a certificate of insurance to be furnished to the Association and to each Member upon request. The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 7.1(a).

(i) All insurance coverage obtained by the Board shall:

(1) be written with a company authorized to do business in the State of Tennessee which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(2) be written in the name of the Association as trustee for the benefited parties. Policies on the Common Properties shall be for the benefit of the Association and its Members;

(3) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

(4) contain an inflation guard endorsement;

(5) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(ii) In addition, after the Control Period ends, the Board shall use reasonable efforts to secure insurance policies which provide:

(1) a waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, the Owners and their tenants, servants, agents, and guests;

(2) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(3) an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one (1) or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(4) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(5) a cross liability provision; and

(6) a provision vesting the Board with the exclusive authority to adjust losses; provided however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

(c) In the event of any insured loss to the Common Property, only the Board or its duly authorized agent may file and adjust insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this subsection, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

Any damage to or destruction of the Common Property shall be repaired or reconstructed unless the Members holding at least eighty percent (80%) of the total eligible votes in the Association (and, during the Development Period, Declarant) shall decide within sixty (60) Days after the loss not to repair or reconstruct. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Property shall be repaired or reconstructed.

If determined in the manner described above that the damage or destruction to the Common Property shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared and maintained by the Association consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors may, without a vote of the Members, levy Special Assessments to cover the shortfall.

7.2 Owners' Insurance. By virtue of taking title to a Homesite, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full replacement cost of all insurable improvements on his or her Homesite, less a reasonable deductible.

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his or her Homesite, the Owner shall proceed promptly to repair or reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 10. Alternatively, the Owner shall clear the Homesite of all debris and ruins and maintain the Homesite in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds.

ARTICLE 8: ANNEXATION AND WITHDRAWAL OF PROPERTY

8.1 Annexation by Declarant. Until ten (10) years after the recording of this Declaration or any subsequently filed Supplemental Declaration in the Public Records, Declarant may from time to time unilaterally subject to the provisions of this Declaration all or any portion of the Additional Property. Declarant may transfer or assign this right to annex property, provided that the transferee or assignee is the developer of at least a portion of the real property then subject to the provisions of this Declaration, and that such transfer is memorialized in a written, recorded instrument executed by Declarant.

8.2 Annexation by Membership. The Association may annex any real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of Members holding a Majority of the votes of the Association represented at a meeting duly called for such purpose, and, during the Development Period, the written consent of Declarant. Such annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the Public Records. Any such Supplemental Declaration shall be signed by the president and the secretary of the Association, and by the owner of the annexed property, and by Declarant, if Declarant's consent is required. Any such annexation shall be effective upon filing unless otherwise provided therein.

8.3 Withdrawal of Property. Declarant reserves the right to amend this Declaration during the Development Period, for the purpose of removing any portion of the Properties from the coverage of this Declaration. Such amendment shall not require the consent of any Person other than the Owner of the property to be withdrawn, if not Declarant. If the property is Common Property, the Association shall consent to such withdrawal.

8.4 Additional Covenants and Easements. Declarant may unilaterally subject any portion of the Properties to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association through Specific Assessments. Such additional covenants and easements shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property and shall require the written consent of the owner(s) of such property, if other than Declarant. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property.

8.5 Amendment. This Article shall not be amended during the Development Period without the prior written consent of Declarant.

ARTICLE 9: ASSESSMENTS

9.1 Creation of Assessments. There are hereby created assessments for Association expenses as the Board may specifically authorize from time to time. There shall be three (3) types of assessments: (a) General Assessments as described in Section 9.2; (b) Special Assessments as described in Section 9.5; and (c) Specific Assessments as described in Section 9.6. Each Owner, by accepting a deed or entering into a recorded contract of sale for any portion of the Properties, is deemed to covenant and agree to pay these assessments.

All assessments and other charges, together with interest, late charges, costs of collection, and reasonable attorney's fees, shall be a charge and continuing lien upon each Homesite against which the assessment or charge is made until paid, as more particularly provided in Section 9.7. Each such assessment or charge, together with interest, late charges, costs, and reasonable attorney's fees, also shall be the personal obligation of the Person who was the Owner of such Homesite at the time the assessment arose. Upon a transfer of title to a Homesite, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no first Mortgagee who obtains title to a Homesite by exercising the remedies provided in its Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a written statement signed by an Association officer or designee setting forth whether such assessment has been paid. Such statement shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such statement.

Assessments shall be paid in such manner and on such dates as the Board may establish, which may include discounts for early payment or similar time/price differentials. The Board may require advance payment of assessments at closing of the transfer of title to a Homesite and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two (2) or more installments. Unless the Board otherwise provides, the General Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his or her Homesite, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately. Any assessment or installment thereof shall be considered delinquent on the fifteenth (15th) day following the due date unless otherwise specified by Board resolution.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Property, abandonment of his or her Homesite, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services, materials, or a combination of services and materials with Declarant for payment of Common Expenses.

9.2 Computation of General Assessments. At least thirty (30) Days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses during the coming year, which may include a contribution to establish a reserve fund.

General Assessments shall be levied equally against all Homesites and other property subject to assessment and shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including any reserves. In determining the level of General Assessments, the Board, in its discretion, may consider other sources of funds

available to the Association, including any surplus from prior years, and any assessment income expected to be generated from any additional Homesites reasonably anticipated to become subject to assessment during the fiscal year.

Unless required as a matter of law, neither Declarant, predecessor Declarants, nor any Builder who has purchased land from Declarant for the purpose of erecting a dwelling thereon, shall at any time be subject to any assessments. During the Control Period, Declarant may, but shall not be obligated to, reduce the General Assessment for any fiscal year by payment of a subsidy and/or contributions of services and materials, which may be treated as either a contribution or an advance against future assessments due from Declarant, or a loan, in Declarant's discretion. Any such anticipated payment or contribution by Declarant shall be disclosed as a line item in the Common Expense budget. Payments by Declarant in any year shall under no circumstances obligate Declarant to continue such payments in future years, unless otherwise provided in a written agreement between the Association and Declarant. Notwithstanding the preceding, the assessments will commence as to each Homesite owned by Declarant, predecessor Declarants, or a Builder upon its occupancy as a residence. In addition, and notwithstanding anything to the contrary herein, Declarant may contribute assessments due from it in services or materials or a combination of services and materials, rather than in money, (herein collectively called "in kind contribution"). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be the fair market value of the contribution.

9.3 Operating Budget. The Board shall send a copy of the annual operating budget and notice of the amount of the General Assessment for the following year to each Owner or other person subject to assessments at least thirty (30) Days prior to the beginning of the fiscal year for which it is to be effective. Such budget and assessment shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total votes in the Association and, during the Development Period, by Declarant. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in the Bylaws, which petition must be presented to the Board within twenty (20) Days after delivery of the notice of assessments. If a meeting is requested, assessments pursuant to such proposed budget shall not become effective until after such meeting is held, provided such assessments shall be retroactive to the original effective date of the budget if the budget is not disapproved at such meeting.

If the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year. In such event or if the budget proves inadequate for any reason, the Board may prepare a revised budget for the remainder of the fiscal year. The Board shall send a copy of the revised budget to each Owner and other persons subject to assessments at least thirty (30) Days prior to it becoming effective. The revised budget shall become effective unless disapproved in accordance with the above procedure.

9.4 Budgeting for Reserves. The Board shall prepare and periodically review separate reserve budgets for the Common Property, and for Areas of Common Responsibility which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost of capital items under each budget. The Board shall include a capital contribution to fund reserves in an amount which the Board, in the exercise of its business judgment,

deems sufficient to meet the projected needs under each budget with respect to both amount and timing by annual contributions for the budget period.

The reserve budget shall establish an appropriate reserve fund, in an amount to fund periodic major maintenance and repair.

Reserve funds shall be held in a separate account or accounts from the operating and other funds of the Association.

The reserve funds held in each account may be expended only for major maintenance, repair, or replacement of those assets covered by the reserve budget pursuant to which they were collected. Subject to such limitation, the Board may adopt resolutions regarding the expenditure of any reserve funds including, without limitation, policies designating the nature of assets for which reserve funds may be expended. Neither the Association membership, nor the Board shall adopt, modify, limit or expand such policies without Declarant's prior written consent during the Development Period.

9.5 Special Assessments. In addition to other authorized assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments shall be allocated equally among all Homesites. There shall be no obligation to call a meeting for the purpose of considering any Special Assessment except on petition of the Members as provided for special meetings in the Bylaws, which petition must be presented to the Board within twenty (20) Days after delivery of the notice of such Special Assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

9.6 Specific Assessments. The Association shall have the power to levy Specific Assessments against a particular Homesite or other property subject to a Limited Supplemental Declaration as follows:

(a) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Homesite(s) or occupants thereof upon request of the Owner pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners and occupants (which might include, without limitation, janitorial service, pest control, etc.), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; and

(b) to cover costs, including reasonable attorney's fees, incurred in bringing the Homesite (s) into compliance with the terms of the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Homesite, their agents, contractors, employees, licensees, invitees, or guests; and

In addition, fines levied by the Association pursuant to Section 5.3 shall constitute Specific Assessments.

9.7 Lien for Assessments. The Association shall have a lien against each Homesite and other property subject to assessment to secure payment of assessments and other charges, as well as

interest at a rate to be set by the Board (subject to the maximum interest rate limitations of Tennessee law), late charges in such amount as the Board may establish (subject to the limitations of Tennessee law), costs of collection and reasonable attorney's fees. Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) 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. Such lien may be enforced by suit, judgment, and judicial or nonjudicial foreclosure.

Declarant or the Association may bid for the Homesite or other property at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Homesite or other property. While a Homesite or other property is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Homesite and property subject to assessment shall be charged, in addition to its usual assessment, its pro rata share of the assessment allocated to the Homesite or other property owned by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

The sale or transfer of any Homesite or other property subject to assessment shall not affect the assessment lien or relieve such Homesite or other property from the lien for any subsequent assessments. However, the sale or transfer of any Homesite or other property subject to assessment pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to such sale or transfer. A Mortgagee or other purchaser of a Homesite or other property subject to assessment who obtains title pursuant to foreclosure of the Mortgage shall not be personally liable for assessments on such Homesite or other property due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Homesites and other property subject to assessment under Section 9.2, including such acquirer, its successors and assigns.

All other Persons acquiring liens or encumbrances on any Homesite or other property subject to assessment after this Declaration has been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

9.8 Date of Commencement of Assessments. The obligation to pay assessments shall commence as to each Homesite on the date which the Homesite is conveyed to a Person other than a Builder or Declarant. The first annual General Assessment, if any, levied on each Homesite shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Homesite.

9.9 Failure to Assess. Failure of the Board to establish assessment amounts or rates or to deliver or mail each Owner or other person subject to assessment an assessment notice shall not be deemed a waiver, modification, or a release of any Owner and other person subject to assessment from the obligation to pay assessments. In such event, each Owner shall continue to pay General Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

9.10 Exempt Property. In addition to the exemptions from assessments provided in Section 9.2, the following property shall be exempt from payment of assessments:

(a) All Common Property and such portions of the property owned by Declarant as are included in the Area of Common Responsibility pursuant to Section 3.5; and

(b) Any property dedicated or otherwise conveyed to and accepted by any governmental authority or public utility.

9.11 Capitalization of Association; Transfer Fees. Upon acquisition of record title to a Homesite by the first Owner thereof and each subsequent Owner other than Declarant or a Builder or upon occupancy of a Homesite by a Person other than a Builder or Declarant, a contribution shall be made by the purchaser or occupant to the working capital of the Association in an amount to be determined by the Board of Directors from time to time. Referred to as the "Working Capital Contribution," this amount shall be in addition to, not in lieu of, the annual General Assessment and shall not be considered an advance payment of such assessment. This amount shall be collected and disbursed to the Association at closing of the purchase and sale of the Homesite to each Owner, or if the obligation to make the capital contribution arises by virtue of occupancy of a Homesite by a Person other than a Builder or Declarant, the Working Capital Contribution shall be paid immediately upon demand by the Association. Working Capital Contributions shall be used by the Association in covering operating expenses and other expenses incurred by the Association pursuant to the Governing Documents.

In order to compensate the Association or its agents for work associated with the conveyance of title to Homesites within Daventry, the Association may charge the transferors of such Homesites a reasonable fee in an amount established by the Association (a "Transfer Fee"). Transfer Fees shall be considered in the nature of assessments, shall constitute a lien on the transferred Homesite and may be collected in the same manner provided for the collection of assessments in this Declaration. The Declarant and Builders shall be exempt from Transfer Fees

9.12 Contributions by Declarant.

(a) In accordance with subsection 9.2 above, Declarant may support the Association by funding operating deficits during the Control Period. At the sole election of Declarant, Declarant may recoup from the Association all such payments, which amounts may be paid from the operating account of the Association, or from the Working Capital Contributions collected at the sale of Homesites, but not from capital reserves. Whether or not Declarant recoups any other deficit amounts, it is not the intention of Declarant to forfeit refundable reserves or deposits paid by Declarant, nor to pay for deficits created by the nonpayment of assessments by an Owner or Owners. It is also not the intention of Declarant to pay for expenses which are otherwise covered in the annual budget of the Association, but which, due to the requirement of an advance payment, create temporary or seasonal deficits. Accordingly, Declarant shall be reimbursed for all amounts paid by Declarant in the funding of deficits caused by the nonpayment of assessments by an Owner or Owners which, if not sooner paid, shall be paid to Declarant at the time the unpaid assessment is collected. In addition, if not sooner paid, Declarant shall be reimbursed for any refundable deposit upon the Association's receipt of the same.

(b) Amounts paid by Declarant to fund operating deficits shall be collectible by Declarant at any time from the Working Capital Contributions or from excess funds not designated for capital reserves. Declarant shall have the right to pursue the collection of any unpaid assessments on behalf of the Association, as well as the right to act on behalf of the Association (if necessary) in obtaining refunds of all deposits paid for by Declarant. The Board of Directors, specifically including members of the Board appointed by Declarant, shall be authorized to execute a promissory note or notes on behalf of the Association to further evidence the obligations of the Association established herein. The failure to execute such a note shall in no way diminish the obligations created hereby.

(c) In no event shall the Association's obligation to reimburse Declarant as set forth in this Section 9.12 relieve Declarant of the obligation to pay assessments for Homesites which are occupied as a residence in accordance with Section 9.2 above; however, Declarant may set off amounts due as assessments against amounts owed Declarant hereunder.

(d) This Section 9.12 may only be amended with the prior written consent of Declarant. Each Owner, by acceptance of a deed to a Homesite in the Property, and the Association, shall be deemed to have approved of the reimbursements to Declarant required by this Section 9.12.

ARTICLE 10: ARCHITECTURAL STANDARDS

10.1 General. No exterior structure or improvement shall be placed, erected, installed, modified or altered upon any Homesite except in compliance with this Article and with the prior written approval of the ARB under Section 10.2, unless exempted from the application and approval requirements pursuant this Section.

Except as noted herein, this Article shall not apply to the activities of Declarant, nor to improvements to the Common Property by or on behalf of the Association. This Article may not be amended during the Development Period without Declarant's written consent.

All homes shall have a minimum of two thousand (2,000) square feet of living space excluding unfinished basements and crawl spaces. All homes must be constructed with full masonry exteriors such as brick, stone, stone veneer or concrete siding. Soffits and gables may be vinyl. All homes must be constructed with a two-car (or larger) attached garage.

10.2 Architectural Review. Responsibility for administration of the Architectural Standards and review of all applications for construction and modifications under this Article shall be handled by the ARB, the members of which need not be Members of the Association or representatives of Members, and may, but need not, include architects, landscape architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the ARB. The ARB may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers or other professionals.

The ARB shall consist of one (1) to five (5) persons and shall have exclusive jurisdiction over all construction on any portion of the Properties. Until one hundred percent (100%) of the Properties have been developed and conveyed to Owners other than Builders and Declarant and

initial construction on each Homesite has been completed in accordance with the Architectural Standards, Declarant retains the right to appoint all members of the ARB who shall serve at Declarant's discretion. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration or surrender of such right, the Board shall appoint the members of the ARB, who shall thereafter serve and may be removed in the Board's discretion.

10.3 Guidelines and Procedures.

(a) Declarant may, but shall not be obligated to, prepare Architectural Standards for the Properties. The Architectural Standards may contain general provisions applicable to all of the Properties, as well as specific provisions which vary according to land use and from one (1) portion of the Properties to another depending upon the location, unique characteristics, and intended use. The Architectural Standards, if promulgated and adopted, are intended to provide guidance to Owners and Builders regarding matters of particular concern to the ARB in considering applications hereunder, but shall not be the exclusive basis for decisions of the ARB, and compliance with the Architectural Standards does not guarantee approval of any application.

Architectural Standards, if promulgated, shall be adopted by the ARB, which shall have sole and full authority to amend them. Any amendments to the Architectural Standards shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Standards; the ARB is expressly authorized to amend the Architectural Standards to remove requirements previously imposed or otherwise to make the Architectural Standards less restrictive. The ARB shall make the Architectural Standards available to Owners and Builders who seek to engage in development or construction within the Properties.

(b) Plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures or improvements, or proposed modifications or alterations to structures or improvements, shall be submitted to the ARB for review and approval (or disapproval). In addition, information concerning septic tank drainage fields and placement (if applicable), irrigation systems, drainage, lighting, landscaping and other features of proposed construction shall be submitted as applicable and as required by the Architectural Standards. In reviewing each submission, the ARB may consider the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, among other considerations. Decisions may be based solely on aesthetic considerations. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary over time.

In the event that the ARB fails to approve or to disapprove any application within thirty (30) Days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the terms of this Declaration or the Architectural Standards unless a variance has been granted in writing by the ARB pursuant to Section 10.7.

Notwithstanding the above, the ARB by resolution may exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

Any Owner may remodel, paint or redecorate the interior of structures on his or her Homesite without approval. However, modifications to the interior of screened porches, patios, and similar portions of a Homesite visible from outside the structures on the Homesite shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications.

10.4 Construction Period. After commencement of construction, each Owner shall diligently continue construction to complete such construction in a timely manner. The initial construction of all structures must be completed within one (1) year after commencement of construction, unless extended by the ARB in its sole discretion. All other construction shall be completed within the time limits established by the ARB at the time the project is approved by the ARB.

For the purposes of this Section, commencement of construction shall mean that (a) all plans for such construction have been approved by the ARB; (b) a building permit has been issued for the Homesite by the appropriate jurisdiction; and (c) construction of a structure has physically commenced beyond site preparation. Completion of a structure shall mean that a certificate of occupancy has been issued by the appropriate jurisdiction for the Homesite.

10.5 No Waiver of Future Approvals. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval.

10.6 Variance. The ARB may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate, and no variance shall (a) be effective unless in writing; or (b) prevent the ARB from denying a variance in similar circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

10.7 Limitation of Liability. The standards and procedures established pursuant to this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of the Properties only, and shall not create any duty to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and neither Declarant, the Association, the Board, nor the ARB shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, the adequacy of soils or drainage, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all dwellings are of comparable quality, value or size, of similar design, or

aesthetically pleasing or otherwise acceptable to neighboring property owners. Neither Declarant, the Association, the Board, the ARB or any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Homesite. In all matters, the committees and their members shall be defended and indemnified by the Association as provided in Section 5.5.

10.8 Enforcement. Declarant, any member of the ARB or the Board, or the representatives of each shall have the right, during reasonable hours and after reasonable notice, to enter upon any Homesite to inspect for the purpose of ascertaining whether any structure or improvement is in violation of this Article. Any structure, improvement or landscaping placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from the ARB, Owners shall, at their own cost and expense, remove such structure or improvement and restore the property to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore the property as requested by the ARB, any authorized agent of Declarant, the ARB, or the Board shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. Entry for such purposes and in compliance with this Section shall not constitute a trespass. In addition, the Board may enforce the decisions of Declarant and the ARB by any means of enforcement provided in Section 5.3 hereof or otherwise permitted for violations of this Declaration. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Homesite and collected as a Specific Assessment.

Unless otherwise specified in writing by the committee granting approval, all approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Homesite, unless approval to modify any application has been obtained. If, after commencement, any Person fails to diligently pursue to completion all approved work, the Association shall be authorized to enter upon the Homesite and remove or complete any incomplete work and to assess all costs incurred against the Homesite and the Owner thereof as a Specific Assessment.

Neither the ARB, the Association, Declarant, or their members, officers or directors shall be held liable to any Person for exercising the rights granted by this Article. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article or the Design Guidelines may be excluded by the ARB from the Properties.

In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ARB.

ARTICLE 11: USE RESTRICTIONS

Each Owner of a Homesite shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Governing Documents and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Governing Documents,

the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Occupants.

In addition to the use restrictions imposed upon the Development as described in Exhibit "C" attached hereto and incorporated herein by this reference, the Board of Directors may adopt rules and regulations in accordance with the terms hereof and as specified in the Bylaws.

ARTICLE 12: EASEMENTS

12.1 Easements of Encroachment. Declarant reserves, creates, establishes and declares non-exclusive, perpetual, easements of encroachment, and for maintenance and use of any permitted encroachment, between adjacent Homesites and any adjacent Common Property, due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

12.2 Easements Reserved for Declarant. Declarant hereby reserves, creates, establishes and declares the following perpetual, appurtenant easements for itself, its designees, (which may include, without limitation, any governmental or quasi-governmental entity and any utility company), its agents, successors and assigns:

(a) During the Development Period upon, across, over, and under all of the Properties, including all buildings and Homesites, to the extent reasonably necessary for the purpose of installing, constructing, monitoring, replacing, repairing, maintaining, operating and removing: homes and related improvements on adjacent Homesites, cable, digital or similar television systems, master television antenna systems, and other devices for sending or receiving data and/or other electronic signals; security and similar systems; roads, walkways, pathways and trails; lakes, ponds, wetlands, irrigation, and drainage systems; street lights and signage; and all utilities, including, but not limited to, water, sewer, telephone, and electricity, and utility meters; and an easement for access of vehicular and pedestrian traffic over, across, and through the Properties, as necessary, to exercise the easements described in this Section;

(b) Declarant specifically grants to the local water supplier, water meter servicer, sewer service provider, electric company, telephone company, and natural gas supplier the easements set forth herein across the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining utility lines, meters and boxes, as applicable;

(c) Declarant reserves and declares for itself during the Development Period, and its designees, the non-exclusive right and power to grant such specific easements or change the specific location of all utility and drainage lines within the Properties as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of the Properties. Declarant reserves unto itself the right, in the exercise of its sole discretion, upon the request of any Person

holding, or intending to hold, an interest in the Properties, or at any other time, (i) to release all or any portion of the Properties from the burden, effect, and encumbrance of any of the easements granted or reserved under this Section, or (ii) to define the limits of any such easements;

(d) Easements over the Common Property for the purpose of conducting or allowing its designees to conduct educational, cultural, entertainment, promotional or sporting events, and other activities of general community interest at such locations and times as Declarant, in its sole discretion, deems appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Homesite, acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the occupants of its Homesite to take no action, legal or otherwise, which would interfere with the exercise of such easement or to recover damages for or as the result of any such activities.

Any damage to a Homesite resulting from the exercise of the easements described in subsections (a) and (b) of this Section shall promptly be repaired by, and at the expense of the Person exercising the easement. The exercise of these easements shall not extend to permitting entry into the structures on any Homesite, nor shall it unreasonably interfere with the use of any Homesite, and except in an emergency, entry onto any Homesite shall be made only after reasonable notice to the Owner or occupant.

12.3 Easements for Drainage Ponds and Drainage Detention Areas. Detention ponds, retention ponds and drainage easements, ("Drainage Facilities") may exist within the Development and shown on recorded subdivision plats. Drainage Facilities are deemed to benefit the entire Development, and are declared to be perpetual and non-exclusive easements for drainage in favor of the Owners and the Association and shall be considered appurtenances to each Homesite, which easements shall include not only the right to use said Drainage Facilities, but the right to use and maintain the entire drainage system and all related facilities connected therewith. No Owner may obstruct or alter the drainage flows after location and installation of the Drainage Facilities without approval in accordance with the provisions of Article 10 hereof. Notwithstanding the fact that the easements created hereby are granted to each Owner and Declarant, if the Drainage Facilities are not maintained by Williamson County, the Association shall be responsible for maintaining the same in accordance with such standards as may be now or hereafter established by Williamson County, Tennessee.

12.4 Slope Control, Drainage, and Waterway Maintenance. Declarant reserves, creates, establishes, and declares perpetual non-exclusive easements for itself, the Association, and their respective designees, in, upon, over, across, under and through the Properties, including each Homesite, for the purposes of:

(a) controlling soil erosion, including grading and planting with vegetation any areas of any Homesite which are or may be subject to soil erosion;

(b) drainage of natural or man-made water flow and water areas from any portion of the Properties;

(c) changing, modifying or altering the natural flow of water, water courses or waterways on or adjacent to any Homesite or Common Property;

(d) dredging, enlarging, reducing or maintaining any water areas or waterways within the Properties; however, no Person other than Declarant or predecessor Declarant shall alter the drainage on any Homesite to increase materially the drainage of storm water onto adjacent portions of the Properties without the consent of the Owner(s) of the affected Homesite, the Board, and Declarant during the Development Period; and

(e) installing such pipes, lines, conduits or other equipment as may be necessary for slope control, drainage and waterway maintenance of any portion of the Properties.

12.5 Easements for Zoning Conditions. Declarant reserves, creates, establishes, and declares a permanent and nonexclusive easement in, upon, over, across, under and through the Properties, including the Common Property, for the benefit of Declarant, each Owner and the Association, to fulfill any zoning conditions as the same are set forth upon any recorded subdivision plat of the Properties, and as the same may be hereafter amended.

12.6 Maintenance. Declarant reserves, creates, establishes and declares a permanent and non-exclusive easement for itself, the Association, and their respective designees, for the repair, maintenance and replacement of all structures, improvements and landscaping placed upon the Properties by Declarant and intended to benefit the Development. The foregoing easement is intended to allow Declarant and the Association, as well as their respective designees, to maintain items such as entrance monuments, landscaping, berms, privacy and perimeter fencing, etc. The foregoing easements shall include, without limitation, the right to erect, maintain, repair, replace and re-erect structures, and shall also include the right to plant grass, plants, flowers, shrubs and trees, to tend and garden the same, and to generally landscape the area within said easements to keep them clean, attractive and uniform in appearance. All Owners taking title to any Homesite upon which such an easement lies will take title subject to the easement rights set forth herein. Entrance monuments and other improvements intended to benefit the community, and which are constructed within or upon rights-of-way within or bordering the community, shall be maintained by the Association as any other Common Property.

12.7 Party Fence Easement. There shall be reciprocal appurtenant easements in any party fence between each Homesite and adjacent portions of the Common Property or as between adjacent Homesites, to construct, maintain, extend, repair, replace or otherwise work on the party fence provided, however, that such use shall not injure the adjoining property and shall not impair the party fence benefits and support to which the adjoining property is entitled. If it shall become necessary to repair or rebuild the fence or any portion as constructed or extended, the cost of such repairing or rebuilding as to such portions of the fence at the time used by both parties shall be at the expense of both in equal shares and as to any remaining portion shall be wholly at the expense of the party who shall exclusively use that portion.

12.8 Easement for Utilities Maintained by Owners. Declarant hereby establishes for the benefit of each Owner a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Homesite and situated in, on or under any other Homesite or the Common Property. The Board of

Directors, and without a vote of the Owners, shall have the right, power and authority to grant permits, licenses, utility easements, and other easements, permits or licenses necessary or desirable for the proper maintenance or operation of the Development under, through, or over the Homesites and/or the Common Property as may be reasonably necessary to or desirable for the ongoing operation of the Development. In the event that any Owner desires access to another Homesite to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Homesite(s) at least two (2) days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of a Homesite to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Homesites, reasonable steps shall be taken to protect such Homesites and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

12.9 Lateral Support. Each Homesite and the Common Property shall be burdened with an easement for lateral support, and each shall also have the reciprocal right to lateral support which shall be appurtenant to and pass with title to such property.

12.10 Easement for Entry and Enforcement. Declarant reserves, creates, establishes, and declares for itself, the Association, and their respective designees, an easement to enter all portions of the Properties, including any Homesite: (i) for emergency, security, and safety reasons; (ii) to perform maintenance responsibilities as described in Article 6, and elsewhere in this Declaration; and (iii) to make inspections to ensure compliance with the Governing Documents. All costs incurred, including reasonable attorney's fees, may be assessed against the Homesite Owner as a Specific Assessment. Such right may be exercised by any member of the Board, the Association's officers, committee members, agents, employees and managers of the Association, and by all police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in emergencies, entry onto a Homesite shall be only during reasonable hours and after notice to and permission from the Owner, such permission not to be unreasonably withheld. This easement includes the right to enter any Homesite to cure any condition which may increase the possibility of fire, slope erosion, immediate risk of personal injury, or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but shall not authorize entry into any dwelling without permission of the Owner, except by emergency personnel acting in their official capacities. Damages to Owner's property caused by the Association shall be repaired by the Association at its expense. Entry under this Section shall not constitute a trespass.

12.11 Easement for Greenbelt Maintenance.

(a) Declarant reserves for itself and its successors, assigns, and designees the nonexclusive right and easement, but not the obligation, to enter upon greenbelts, buffer zones and non-disturbance areas located within the Area of Common Responsibility to remove trash and other debris therefrom and to fulfill maintenance responsibilities as provided in this Declaration. Declarant's rights and easements provided in this Section shall be automatically transferred to the Association at the expiration of the Development Period or such earlier time as Declarant may elect, in its sole discretion, to transfer such rights by a written instrument. Declarant, the Association, and their designees shall have an access easement over and across any of the Properties abutting or

containing any portion of a greenbelt, buffer zone or non-disturbance area to the extent reasonably necessary to exercise their rights under this Section.

(b) Encroachment of structures into, over, or across greenbelts, buffer zones and non-disturbance areas shown on any recorded subdivision plat of the Properties is strictly prohibited. Landscaping in these areas is subject to removal in the reasonable discretion of Declarant in the ordinary course of maintenance of these areas. Any landscaping permitted shall be installed in conformance with Article 10 herein. All Persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from the intentional exercise of such easements.

(c) Declarant reserves unto itself the right, in the exercise of its sole discretion, upon the request of any Person holding, or intending to hold, an interest in the Properties, or at any other time, (i) to release all or any portion of the Properties from the burden, effect, and encumbrance of any of the easements granted or reserved under this Section, or (ii) to define the limits of any such easements.

12.12 Liability for Use of Easements. No Owner shall have a claim or cause of action against Declarant, its successors or assigns, arising out of the exercise or non-exercise of any easement reserved hereunder or shown on any subdivision plat for the Properties, except in cases of willful or wanton misconduct.

ARTICLE 13: MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Homesites in the Properties. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

13.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Homesite to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Homesite on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Homesite subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) Days, or any other violation of the Declaration or Bylaws relating to such Homesite or the Owner or Occupant which is not cured within sixty (60) Days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action which would require the consent of a specified percentage of Eligible Holders pursuant to Federal Home Loan Mortgage Corporation requirements.

13.2 Right to Records. Upon written request in accordance with Section 13.1, all Eligible Holders shall:

- (a) be entitled to attend and observe all meetings of Owners, but not meetings of the Board;
- (b) be furnished with copies of annual financial reports made to the Owners; and
- (c) be entitled to inspect the financial books and records of the Association during reasonable business hours.

13.3 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Homesite in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property .

13.4 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Homesite.

13.5 Amendment by Board. Should the Department of Veterans Affairs, the Federal Housing Administration, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements relating to the provisions of this Article or make such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

13.6 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) Days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

13.7 Construction of Article 13. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws, or Tennessee law for any of the acts set out in this Article.

ARTICLE 14: DECLARANT'S RIGHTS

14.1 Transfer or Assignment. Any or all of the special rights and obligations of Declarant set forth in the Governing Documents may be transferred or assigned in whole or in part to the Association or to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that which Declarant has under this Declaration or the Bylaws. Upon any such transfer, Declarant shall be automatically released from any and all liability arising with respect to such transferred rights and obligations. No such transfer or assignment shall be effective unless it is in a written instrument signed by Declarant and duly recorded in the Public Records.

14.2 Development and Sales. Declarant and Builders authorized by Declarant may maintain and carry on the Properties such activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Homesites, such as sales activities, tournaments, charitable events, and promotional events, and restrict Members from using the Common Property during such activities. Such activities shall be conducted in a manner to minimize (to the extent reasonably possible) any substantial interference with the Members' use and enjoyment of the Common Property. Declarant and authorized Builders shall have easements over the Properties for access, ingress and conducting such activities.

In addition, Declarant and Builders authorized by Declarant may establish within the Properties, such facilities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Homesites, including, but not limited to, business offices, signs, model units, tents, sales offices, sales centers and related parking facilities. During the Development Period, Owners may be excluded from use of all or a portion of such facilities in Declarant's sole discretion. Declarant and authorized Builders shall have easements over the Properties for access, ingress, and egress and use of such facilities.

Declarant may permit the use of any facilities situated on the Common Property by Persons other than Owners without the payment of any use fees.

14.3 Common Properties. In addition to any real property and easements that may be described elsewhere in this Declaration as Common Property, Declarant may convey, or cause to be conveyed, to the Association such other real and personal property as Declarant, in Declarant's sole discretion, may determine to be necessary or proper for ownership by the Association as Common Property. The Association hereby covenants and agrees to accept all conveyances of Common Property made or caused to be made by Declarant. Notwithstanding any legal presumption to the contrary, the fee title to, and all rights in, any portion of the Properties owned by Declarant and designated as Common Property, (or which is designated by any words which similarly signify such property is for the use of the Owners in the community) whether by recorded plat of survey or otherwise, or designated for public use, shall be reserved to Declarant until such time as the same shall be conveyed to the Association or to any municipality or other governmental body, agency or authority. Declarant hereby reserves the right, but not the obligation, to be exercised in its sole discretion, to designate the boundaries of all Homesites and Common Property within the Properties as they are developed and platted and to construct improvements thereon. Declarant shall have the right, but not the obligation, to make improvements and changes to all Common Property and to all Homesites owned by Declarant, including, without limitation, (i) installation and maintenance of any improvements in and to the Common Property, (ii) changes in the location of the boundaries of any Homesite owned by Declarant or of the Common Property, (iii) installation and maintenance of any storm drainage system and water, sewer and other utility systems and facilities; and (iv) installation of security and/or refuse facilities. In accordance with the preceding, Declarant reserves the right to record, modify, amend, revise and add to, at any time and from time to time, any recorded plat or supplemental plats of the community, setting forth such information as Declarant may deem necessary with regard to the community, including without limitation, the locations and dimensions of the Homesites, Common Property, Additional Property (if any), roads, utility easements and systems, drainage easements and systems, right-of-way easements, and setback line restrictions. In

addition to other reasons, the rights reserved to Declarant herein are for the purpose of allowing the expansion of the Development to include additional land, and to specifically allow the reconfiguration of Homesites and the roads serving the Development and the extension of roads into the Additional Property, if any. Declarant and its employees, agents and designees shall also have a right and easement over and upon all of the Common Property for the purpose of making, constructing and installing such improvements to the Common Property as it deems appropriate in its sole discretion.

14.4 Application of Architectural Standards. The provisions contained in Articles 10 and 11, as well as all other architectural control provisions, including but not limited to building setbacks, contained in this Declaration, the Charter or the Bylaws, shall not apply to Declarant, nor to any predecessor Declarants. In addition, at Declarant's option expressed in writing, said provisions shall not apply to any Builder who acquires a Homesite from Declarant, any predecessor Declarants, or through other Builders who had acquired the Homesite from said parties for the purpose of constructing a dwelling thereon; provided, however, any such Builder must submit to and have its plans and specifications approved by Declarant, if title to the Homesite passed through Declarant, and provided further, if title to the Homesite passed through a predecessor Declarant, and said predecessor still owns at least one (1) Homesite for sale in the Development, then such plans and specifications must only be approved by said predecessor. This Section 14.4 may only be amended with the prior written consent of Declarant during the Development Period, and with the prior written consent of any predecessor Declarants still owning at least one (1) Homesite for sale.

14.5 Additional Covenants. Except for duly adopted amendments to this Declaration, no Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easements, or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by Declarant and recorded in the Public Records. No such instrument recorded by any Person (other than instruments contemplated by Article 8 and Section 15.2 hereof) may conflict with the Declaration, Bylaws or Charter.

14.6 Right of Declarant to Disapprove Actions. So long as Declarant owns any portion of the Properties, Declarant shall have the right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of Declarant, would tend to impair rights of Declarant or Builders under the Governing Documents, or interfere with development of, construction on, or marketing of any portion of the Properties, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any committee as may be granted to Declarant in the Governing Documents.

(a) Declarant shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address Declarant has registered with the secretary of the Association, which notice complies with the Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at such meeting.

(b) Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. Declarant, its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee.

(c) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

(d) Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within ten (10) Days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) Days following receipt of written notice of the proposed action. No action, policy or program shall be effective or implemented if the Declarant exercises its right to disapprove. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, or the Board or the Association. Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

14.7 Amendments. Notwithstanding any contrary provision of this Declaration, no amendment to or modification of any use restrictions and rules or Architectural Standards made after termination of the Control Period shall be effective without prior notice to and the written consent of Declarant. This Article may not be amended without the written consent of Declarant. The rights contained in this Article shall terminate upon the earlier of (a) expiration of the Development Period, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

ARTICLE 15: GENERAL PROVISIONS

15.1 Duration.

(a) Except as otherwise limited by Tennessee law, this Declaration shall have perpetual duration. If Tennessee law limits the period during which covenants may run with the land, then to the extent consistent with such law, this Declaration shall automatically be extended at the expiration of such period for successive periods of twenty (20) years each.

(b) Unless otherwise provided by Tennessee law, this Declaration may be terminated within the first twenty (20) years after the date of recording by an instrument signed by Owners of at least ninety percent (90%) of the total Homesites within the Properties, which instrument is recorded in the Public Records; provided however, regardless of the provisions of Tennessee law, this Declaration may not be terminated during the Development Period without the prior written consent of Declarant. After twenty (20) years from the date of recording, this Declaration may be terminated only by an instrument signed by Owners owning at least fifty-one percent (51%) of the Homesites and constituting at least fifty-one percent (51%) of the total number of Owners, and by Declarant, if Declarant owns any portion of the Properties, which instrument complies with the requirements of

Tennessee law and is recorded in the Public Records. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

15.2 **Amendment.**

(a) **By Declarant.** During the Development Period, Declarant may unilaterally amend this Declaration for any reason.

(b) **By the Board.** The Board shall be authorized to amend this Declaration without the consent of the Members (i) for the purpose of conforming this Declaration to any mandatory provisions of Tennessee law and (ii) to correct scrivener's errors and other mistakes of fact, provided that amendments under this provision have no material adverse effect on the rights of the Owners. During the Development Period, any such amendment shall require the written consent of Declarant.

(c) **By Members.** Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members holding seventy-five percent (75%) of the total eligible votes in the Association and, during the Development Period, the written consent of Declarant. In addition, approval requirements set forth in Article 13, if any, shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(d) **Validity and Effective Date.** Any amendment to the Declaration shall become effective upon recordation in the Public Records, unless a later effective date is specified in the amendment. Any challenge to an amendment must be made by filing an action in a court of competent jurisdiction within six (6) months of the amendment's recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration. During the Development Period, no amendment may remove, revoke, or modify any right, privilege or exemption of Declarant without the written consent of Declarant, or the assignee of such right, privilege or exemption. In addition, for so long as any predecessor Declarant owns at least one Homesite primarily for sale, no amendment may remove, revoke, or modify any right, privilege or exemption of said predecessor Declarant without the written consent of said predecessor Declarant.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

15.3 **Severability.** Invalidation of any provision of this Declaration, in whole or in part, or any application of a provision of this Declaration by judgment or court order, shall in no way affect other provisions or applications.

15.4 Dispute Resolution. Any Owner, occupant or other person subject to the provisions of this Declaration must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute before that Owner, occupant or other person files any lawsuit against the Association, the Board, any director, or any agent of the Association. The Owner, occupant or other person shall, in such notice and at the hearing, make a good faith effort to explain the grievance to the Board and to resolve the dispute in an amicable fashion and shall give the Board a reasonable opportunity to address the Owner's, occupant's or other person's grievance before filing suit. Upon receiving a request for such a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date no less than seven (7) nor more than twenty-one (21) Days from the date of receipt of the notice of hearing by the person requesting the hearing.

15.5 Litigation. Except as provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of Members holding seventy-five percent (75%) of the total Association vote. This Section shall not apply, however, to (a) actions brought by the Association to enforce or interpret the provisions of the Governing Documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in Article 9; (c) proceedings involving challenges to ad valorem taxation; (d) counter-claims brought by the Association in proceedings instituted against it or (e) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above. In any action or proceeding brought to enforce or interpret any provision of the Governing Documents, in addition to any other remedy to which it is entitled, the Association shall be entitled to recover its reasonable attorney's fees and all other expenses relating to said enforcement or interpretation, whether incurred before or after the commencement of said action or proceeding.

15.6 Non-Merger. Notwithstanding the fact that Declarant is the current owner of the Properties, it is the express intention of Declarant that the easements established in the Declaration for the benefit of the Properties and Owners shall not merge into the fee simple estate of individual lots conveyed by Declarant or its successor, but that the estates of Declarant and individual lot owners shall remain as separate and distinct estates. Any conveyance of all or a portion of the Properties shall be subject to the terms and provisions of this Declaration, regardless of whether the instrument of conveyance refers to this Declaration.

15.7 Grants. The parties hereby declare that this Declaration, and the easements created herein shall be and constitute covenants running with the fee simple estate of the Properties. The grants of easements in this Declaration are independent of any covenants and contractual agreements undertaken by the parties in this Declaration and a breach by either party of any such covenants or contractual agreements shall not cause or result in a forfeiture or reversion of the easements granted in this Declaration.

15.8 Cumulative Effect; Conflict. The provisions of this Declaration shall be cumulative with any additional covenants, restrictions, and declarations, and the Association may, but shall not be required to, enforce such additional covenants, conditions, and provisions; provided however, in the event of a conflict between or among this Declaration and such covenants or restrictions, and/or

the provisions of any corporate charter, bylaws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, this Declaration, the Bylaws, Charter, and use restrictions and rules of the Association shall prevail. In the event of a conflict between the Community-Wide Standard, as it may be changed from time to time, and the Declaration, Bylaws or Charter, the Declaration, Bylaws or Charter shall prevail. The foregoing priorities shall apply, but not be limited to, the lien for assessments created in favor of the Association. Nothing in this Section shall preclude any Limited Supplemental Declaration, Supplemental Declaration or other recorded declaration, covenants and restrictions from containing additional restrictions or provisions which are more restrictive than the provisions of this Declaration, and the Association shall have the standing and authority to enforce the same.

15.9 Use of the Term "Daventry." No Person other than the Association or Declarant may use the term "Daventry" or any derivative in any printed or promotional material, in connection with a web site, or otherwise without Declarant's or Association's prior written consent. However, Owners may use the term "Daventry" where such term is used solely to indicate that an Owner's Homesite is located within Daventry.

15.10 Compliance. Every Owner and occupant of any Homesite shall comply with the Governing Documents. Failure to comply shall be grounds for an action by the Association or by any aggrieved Owner(s) to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, in addition to those enforcement powers granted to the Association in Section 5.3.

15.11 Notice of Sale or Transfer of Title. An Owner intending to make a transfer or sale of a Homesite or any interest in a Homesite shall give the Board written notice of such intention within seven (7) Days after execution of the transfer or sales documents. The Owner shall furnish the Board, as part of the notice, the name and address of the intended grantee and such other information as the Board may reasonably require. This Article shall not be construed to create a right of first refusal in the Association or in any third party.

Within seven (7) Days after receiving title to a Homesite, the purchaser of the Homesite shall give the Board written notice of his or her ownership of the Homesite. Upon failure of an Owner to give the required notice within the seven-day time period provided herein, the Board may levy fines against the Homesite and Owner thereof and assess the Owner for all costs incurred by the Association in determining his or her identity.

15.12 Occupants Bound. All provisions of the Declaration, Bylaws, rules and regulations, use restrictions and architectural guidelines which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants and the guests and invitees of Owners and Occupants. The Owner shall be responsible for ensuring that the Occupants, the guests, invitees and licensees of the Owner and Occupant strictly comply with all provisions of the Declaration, Bylaws, rules and regulations, use restrictions and architectural guidelines.

15.13. Disclosures. Each Owner and Occupant acknowledge the following:

(i) The views from an Owner's Homesite may change over time due to, among other circumstances, additional development and the removal or addition of landscaping.

(ii) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(iii) No representations are made regarding the schools that currently or may in the future serve the Homesite.

(iv) Since in every neighborhood, there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Development property that an Owner or Occupant may find objectionable and that it shall be the sole responsibility of the Owners and Occupants to become acquainted with neighborhood conditions that could affect the homes.

(v) No representations are made that the home is or will be soundproof or that sound may not be transmitted from one home to another.

(vi) The floor plans and the dimensions and square footage calculations shown thereon are only approximations. Any Owner who is concerned about any representations regarding the floor plans should do his/her own investigation as to the dimensions, measurements and square footage of his/her home.

(vii) All Owners and Occupants acknowledge and understand that Declarant will be constructing/renovating portions of the Development and engaging in other construction activities. Such activities may, from time to time, produce certain conditions including, without limitation: (A) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (B) smoke; (C) noxious, toxic, or corrosive fumes or gases; (D) obnoxious odors; (E) dust, dirt or flying ash; (F) unusual fire or explosion hazards; (G) temporary interruption of utilities; and/or (H) other conditions that may threaten the security or safety of Persons in the Development. Notwithstanding the foregoing, all Owners and Occupants agree that such conditions resulting from renovation and construction activities shall not be deemed a nuisance and shall not cause Declarant and its agents to be deemed in violation of any provision of the Declaration.

(viii) Exposed concrete surfaces in portions of the home which are not heated and cooled are subject to cracking due to (A) water penetration, (B) expansions and contraction of the concrete with temperature changes, and (C) building settlement.

(ix) A home may trap humidity created by everyday living (cooking, bathing, laundering, etc.). As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by Owners and Occupants, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, woodwork and sheetrock, and potentially, mildew and/or mold.

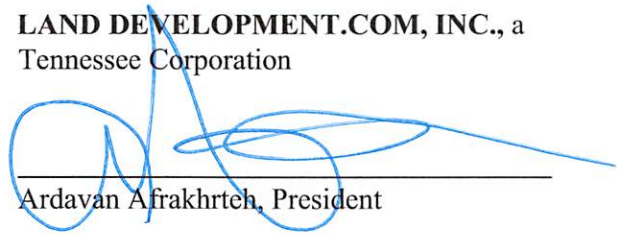
15.14 No Discrimination. No action shall be taken by the Declarant, the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, sexual orientation, familial status or disability.

15.15 Exhibits. Exhibits attached to this Declaration are incorporated by this reference and amendment of such exhibits shall be governed by the provisions of Section 15.2. All other exhibits are attached for informational purposes and may be amended as provided therein or in the provisions of this Declaration which refer to such exhibits.

IN WITNESS WHEREOF, the Declarant herein hereby executes this instrument under seal, this 16th day of July, 2019.

DECLARANT: **LAND DEVELOPMENT.COM, INC.**, a Tennessee Corporation

By:


Ardavan Afrakhrteh, President

STATE OF TENNESSEE

COUNTY OF Davidson

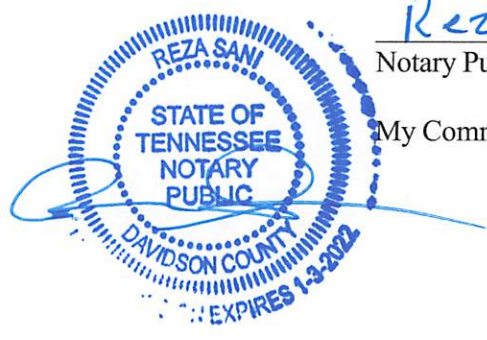
Personally appeared before me, the undersigned, a Notary Public, Ardavan Afrakhrteh, with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained and who further acknowledged that he is President of Land Development.com, Inc., the within-named bargainer, and is authorized to execute this instrument as said President of Land Development.com, Inc..

WITNESS my hand, at office this 16 day of July, 2019.

Reza Sani

Notary Public

My Commission Expires: 1-3-22



THE UNDERSIGNED HEREBY CERTIFIES THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE ORIGINAL AS FILED IN THE OFFICE OF THE CLERK OF THE DISTRICT COURT OF THE COUNTY OF DAVIDSON, TENNESSEE, ON THIS 15th DAY OF MARCH, 2018.

CLERK OF DISTRICT COURT, TENNESSEE
DAVIDSON COUNTY

[Handwritten signature]
Clerk of District Court, Tennessee
Davidson County

STATE OF TENNESSEE

NOTARY PUBLIC
DAVIDSON COUNTY

I, the undersigned, a Notary Public for the State of Tennessee, do hereby certify that the above is a true and correct copy of the original as filed in the office of the Clerk of the District Court of the County of Davidson, Tennessee, on this 15th day of March, 2018.

WITNESSE MY HAND AND SEAL THIS 15th DAY OF MARCH, 2018.

[Handwritten signature]
Notary Public
Davidson County, Tennessee

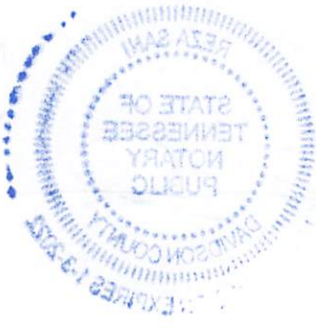


EXHIBIT "A"
Property Description

Being all of the property depicted on the Master Plan or any such Final Plat(s) for the community of Daventry as recorded in Register's Office for Williamson County, Tennessee.

Being the same property conveyed to Land Development.com, Inc. by deed recorded in Book 6639, page 114, and Book 6980, page 189 of the Register's Office for Williamson County, Tennessee.

EXHIBIT "B"

Bylaws of Daventry Homeowners Association, Inc.

The Bylaws of this Association are recorded under a separate instrument and are hereby adopted as EXHIBIT "B" of these Declarations and as may be amended from time to time.

EXHIBIT "C"

Use Restrictions

Abandoned Personal Property. Personal property, except for personal property owned by the Association, is strictly prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property or on the rights-of-way located within the Development. If the Board or its designee, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Property or on the rights-of-way located on the Development in violation of this Article, then the Board may remove and either discard or store the personal property in a location which the Board may determine. If personal property is removed in accordance with this Article, neither the Association nor any officer or agent of the Association shall be liable to any Person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

Accessory Structures. Accessory structures may only be placed on a Homesite with the prior approval of the ARB. Any such accessory structures shall conform in exterior design and quality to the dwelling on the Homesite.

Air-Conditioning Units. Except as may be permitted by the ARB, no window air conditioning units may be installed.

Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Homesite or the Common Property, with the exception of a reasonable number of dogs, cats, birds or other usual and common household pets. No Owner or occupant may keep, breed or maintain any pet for any commercial purpose, and no structure for the care, housing, or confinement of any pet, such as dog houses and dog runs, shall be constructed or maintained on any part of the Development without prior written ARB approval. Pets must be kept on a leash at all times when on the Common Property and on the Homesite of another Owner, and shall not be tethered anywhere within the Properties, or be allowed to be kept in such a manner as to become a nuisance by barking or other acts. When on the Common Property, pets must be under voice command or the physical control of a responsible person at all times. Feces left by pets upon the Common Property or in any area subject to an Easement Agreement must be removed by the owner of the pet or the person responsible for the pet.

No potbellied pigs, snakes, or other animals determined in the Board's sole discretion to be dangerous may be brought onto or kept on the Development at any time. Furthermore, if any pet is permitted to roam free, or in the Board's sole discretion, endangers the health of any Owner or occupant, makes objectionable noise, or constitutes a nuisance or inconvenience to the Owners or occupants or to the owner of any property located adjacent to the Development, the Board may demand that the Owner or occupant remove such pet from the Development upon seven (7) days written notice to the owner of such pet.

All Owners and occupants keeping pets within the Development shall comply with all applicable governmental ordinances and regulations. The Board may prohibit a household pet that has caused damage or injury from being walked on the Development. Animal control authorities shall be permitted to enter the Development to patrol and remove pets. The owner of the pet shall be responsible for all of the pet's actions. Furthermore, any Owner or occupant who keeps or maintains any pet upon the Development shall be deemed to have agreed to indemnify and hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of

keeping or maintaining such pet within the Development.

Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any property. Exterior sculpture, fountains, flags, and similar items must be approved by the ARB; provided, however, the display of flags for generally recognized holidays on which flags are customarily displayed shall be permitted for a period from one (1) week prior to the date of such holiday until one (1) week after the date of such holiday. No awnings, shades or window boxes shall be attached to or otherwise placed on the exterior of any structure on a Homesite without the prior written consent of the ARB.

Basketball Goals. Portable basketball goals are prohibited on the Properties.

Common Property. There shall be no obstruction of the Common Property, nor shall anything be kept, parked or stored on any part of the Common Property without the prior written consent of the Association, except as specifically provided herein.

With the prior written approval of the Board of Directors, and subject to any restrictions imposed by the Board, an Owner or Owners may reserve portions of the Common Property for use for a period of time as set by the Board. The Board of Directors shall be permitted to charge such Owner or Owners reasonable fees, as determined in the Board's sole discretion, in connection with the reservation and use of any portion of the Common Property. Any such Owner or Owners who reserve a portion of the Common Property as provided herein shall assume, on behalf of himself/herself/themselves and his/her/their guests, occupants and family, all risks associated with the use of the Common Property and all liability for any damage or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

Clotheslines. No exterior clotheslines of any type shall be permitted upon any Homesite.

Combustible Liquid. There shall be no storage of gasoline, propane, heating or other fuels, except for a reasonable amount of fuel that may be stored in containers appropriate for such purpose on each Homesite for emergency purposes and operation of lawn mowers and similar tools or equipment, or within a vehicle for the operation of such vehicle, and except as may be approved in writing by the ARB. The Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

Damage, Nuisance and Noise. Any activity within a residence or on any portion of the Development which interferes with or causes disruption to the use and quiet enjoyment of another resident is strictly prohibited including, without limitation, the use of stereo speakers or equipment that will, in the reasonable discretion of the Board of Directors, interfere with the rights, comfort or convenience of other Owners or occupants. Furthermore, without limiting the generality of the foregoing, no horn, whistle, siren, bell, amplifier or other sound device, except for devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Homesite unless required by law. Notwithstanding the foregoing, any siren or device for security purposes shall contain a device that causes it to automatically shut off within fifteen (15) minutes.

It shall be the responsibility of each Owner and occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Homesite. No Homesite on the Development shall be used, in whole or in part, for the storage of any property or thing that will cause a Homesite to appear to be in an unclean or untidy condition or that will be obnoxious to the eye. Moreover,

no substance, thing, or material may be kept on any portion of the Development that will discharge foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the surrounding property. Furthermore, no noxious, destructive or offensive activity shall not be conducted within any portion of the Development, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property on the Development. No Owner or occupant shall maintain any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy another Owner's or Occupant's enjoyment of the Development.

The development, construction and sales activities conducted or permitted by Declarant shall not be considered a nuisance or a disturbance of the quiet enjoyment of any Owner or occupant.

No damage to or waste of the Common Property, or any part thereof, shall be permitted by any Owner or member of his or her family or any invitee of any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees, or occupants of his or her Homesite.

Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights.

Detention Ponds. All Owners and occupants are prohibited from using the detention pond area for any recreational purpose.

Drainage and Grading.

(a) Catch basins and drainage areas are for the purpose of natural flow of water only. No improvements, obstructions or debris shall be placed in these areas. No Owner or occupant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains.

(b) Unless otherwise indicated in this Declaration or by other instrument establishing a drainage area, each Owner shall be responsible for maintaining all drainage areas located on its Homesite. Required maintenance shall include, but not be limited to, maintaining ground cover in drainage areas and removing any accumulated debris from catch basins and drainage areas.

(c) Each Owner shall be responsible for controlling the natural and man-made water flow from its Homesite. No Owner shall be entitled to overburden the drainage areas or drainage system within any portion of the Development with excessive water flow from its Homesite. Owners shall be responsible for all remedial acts necessary to cure any unreasonable drainage flows from Homesites. Neither the Association nor the Declarant bears any responsibility for such remedial actions to any Homesite.

(d) Use of any areas designated as "drainage easement areas" on any recorded subdivision plat of the Development, shall be subject to strict prohibitions against encroachment of structures into, over or across the drainage easement areas, and the right of the Declarant to enter upon and maintain the drainage easement areas. Such maintenance activities may include disturbance of landscaping pursuant to the terms contained in any declaration of easements, notwithstanding approval of the landscaping as set forth in Article 6.

(e) No Person shall alter the grading of any Homesite without prior approval pursuant to

Article 10 of this Declaration. The Declarant hereby reserves for itself and the Association a perpetual easement across the Development for the purpose of altering drainage and water flow. The exercise of such an easement shall not materially diminish the value of or unreasonably interfere with the use of any Homesite without the Owner's consent.

(f) All Persons shall comply with any and all applicable city and county erosion control ordinances in construction of improvements on any Homesite and in conducting any activity within non-disturbance buffer zones.

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

Exterior Security Devices. No exterior security devices, including, without limitation, window bars, shall be permitted on any residence or Homesite without the prior written consent of the ARB. Signs placed on the Homesite or the exterior of the residence stating that such residence is protected by a security system shall not be deemed to constitute an exterior security device.

Fences. No fence or fencing-type barrier of any kind shall be placed, erected, allowed, or maintained upon any portion of the Development, including any Homesite, without the prior written consent of the ARB. No fence may be constructed or installed closer to the front property line than the rear corner of the home. The ARB may issue guidelines detailing acceptable fence styles or specifications and locations. All applications for fencing shall be submitted in accordance with Article 10 of this Declaration. The ARB may require that all or a part of the fencing be stained or painted in colors approved by the ARB in order to preserve architectural harmony within the Development.

Garages. It is prohibited for an Owner or occupant of a Homesite that includes a garage to convert such garage to any other use. No Owner or occupant of a Homesite that includes a garage shall park his or her car or other motor vehicle on any portion of the Development, other than in the garage, unless the maximum number of cars or similarly sized motor vehicles which can be parked in the garage according to its design capacity are already parked in said garage. Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. All garages shall be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible.

Grilling. The use of outdoor grills on any portion of the Development, including, without limitation, a deck, shall be governed by applicable state laws and local ordinances having jurisdiction over the Development.

Hunting, Fireworks and Firearms. Hunting or the display or discharge of fireworks or any weapon or firearm for any reason is prohibited on any portion of the Development; provided however, the display of lawful firearms by law enforcement officers is permitted. The term "firearm" includes without limitation "B-B" gun, pellet gun, and firearms of all types. The Board may impose fines and exercise other enforcement remedies as set forth in this Declaration but shall have no obligation to exercise self-help to prevent or stop any such discharge.

Irrigation. Owners shall not install irrigation systems which draw upon ground or surface waters nor from any lakes or ponds within the Development, although Declarant and the Association shall have the right to draw water from such sources for the purpose of irrigating the Area of Common Responsibility. Owners may use sprinklers or other normal means to water grass and other flora located on their Homesites

Leasing. In accordance with the Declaration and Bylaws, in order to enforce the provisions of this Paragraph. "Leasing," for the purposes of this Declaration, is defined as regular, exclusive occupancy of a Homesite by any Person other than the Owner. For purposes hereof, occupancy by a roommate of an Owner who occupies the Homesite as such Owner's primary residence shall not constitute Leasing hereunder. Leasing of all Homesites shall be governed by the following provisions:

(a) **Notice.** At least seven (7) days prior to entering into the lease of a Homesite, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto.

(b) **General.** Homesites may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form that is deemed acceptable. There shall be no subleasing of Homesites or assignment of leases without prior written Board approval. Within ten (10) days after executing a lease agreement for the lease of a Homesite, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Homesite. The Owner must provide the lessee copies of the Declaration, Bylaws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.

(c) **Liability for Assessments, Use of Common Property, and Compliance with Declaration, Bylaws, and Rules and Regulations.** Each Owner covenants and agrees that any lease of a Homesite shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Homesite, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) **Compliance with Declaration, Bylaws, and Rules and Regulations.** The lessee shall comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants and guests of the leased Homesite in order to ensure such compliance. **The Owner shall cause and shall have primary responsibility for ensuring that all Occupants of his or her Homesite to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Homesite are fully liable and may be sanctioned for any such violation.** If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with Article V of the Bylaws. If the fine is not paid by the lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Homesite.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Tennessee law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit

of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including reasonable attorneys' fees actually incurred and court costs, associated with the eviction shall be an assessment and lien against the Homesite.

(ii) Use of Common Property. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Property, including but not limited to, the use of any and all recreational facilities and other amenities.

(iii) Liability for Assessments. When an Owner who is leasing his or her Homesite fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

(iv) Maintenance Obligations. As a condition to an Owner's right to lease his or her Homesite, Owner agrees and shall contract with a reputable, third-party landscaping and lawn care provider for the term of the lease, and shall provide the Association with the name, address and phone number of such provider prior to the beginning of the lease term. If an Owner fails to enter into such a contract, or the Owner's contracted provider fails to maintain the lawn and landscaping on the Owner's leased Homesite in accordance with the requirements of this Declaration, the Association may, at its option, enter into a lawn maintenance and landscaping contract with a reputable provider of such services for the term of Owner's lease and charge the Owner with the cost of such services as a specific assessment.

(d) Applicability of this Paragraph. Notwithstanding the above, this Paragraph shall not apply to any leasing transaction entered into by Declarant (regardless of whether said lease is entered into prior to or after the expiration of Declarant's right to appoint and remove officers and directors of the Association pursuant to Article III, Part A, Section 2 of the Bylaws), the Association, or the holder of any first Mortgage on a Homesite who becomes the Owner of a Homesite through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage.

Lighting. Exterior lighting visible from the street shall not be permitted without ARB approval except for: (1) approved lighting as originally installed on a Homesite; (2) street lights in conformity with an established street lighting program for the Development; (3) reasonable seasonal decorative lights displayed between November 15 and January 15; or (4) front house illumination of model homes. All other exterior lighting must be approved by the ARB.

Mailboxes. All dwellings within the Development shall have standard mailboxes conforming to postal regulations and the guidelines for such mailboxes adopted by the ARB. The ARB reserves the right to approve the style, design, color and location prior to installation or replacement of any mailbox. Application shall be made to the ARB prior to installation or replacement. By accepting a deed to a Homesite, each Owner agrees that the ARB may remove any non-approved mailbox in a reasonable

manner; all costs for same shall be paid by Owner of such Homesite, and all claims for damages caused by the ARB are waived.

Occupancy of Unfinished Homesites. No dwelling erected upon any Homesite shall be occupied in any manner before completion of construction or while in the course of construction, nor at any time prior to the issuance of a certificate of occupancy.

Occupants Bound. All provisions of the Declaration, Bylaws, and of any rules and regulations, use restrictions or Architectural Guidelines governing the conduct of Owners and establishing sanctions against Owners shall also apply to all occupants even though occupants are not specifically mentioned.

Residential Use. Homesites may be used only for residential purposes of a single family and for ancillary business or home office uses. A business or home office use shall be considered ancillary so long as: (a) the existence or operation of the activity is not apparent or detectable by sight, sound, or smell from outside the Homesite; (b) the activity conforms to all zoning requirements for the Development; (c) the activity does not involve regular visitation of the Homesite by clients, customers, suppliers, or other invitees or door-to-door solicitation of residents of the Development; (d) the activity does not increase traffic or include frequent deliveries within the Development; (e) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (f) the activity is consistent with the residential character of the Development and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Development, as may be determined in the sole discretion of the Board.

No other business, trade, or similar activity shall be conducted upon a Homesite without the prior written consent of the Board. The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

The leasing of a Homesite shall not be considered a business or trade within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or a Builder approved by the Declarant with respect to its development and sale of the Development or its use of any Homesites which it owns within the Development, including the operation of a timeshare or similar program.

Radio Antennas. No exterior antennas for the transmission or reception of radio signals will be permitted.

Retaining Walls. No retaining wall of any kind shall be placed, erected, allowed or maintained upon any portion of the Development, including any Homesite, unless the type and location thereof shall have received the prior written consent of the ARB. Any retaining wall visible from the street shall be made of brick or stone and shall be consistent with the architectural style of the structures and improvements located upon such Homesite. Walls made of plain concrete or concrete block shall be prohibited.

Recreational Equipment. All playground and recreational equipment must be approved by the ARB and must be used, erected, placed and maintained to the rear of all Homesites. Trampolines are permitted but must be located within a rear yard enclosed by fencing approved in writing by the ARB.

Rules and Regulations. In addition to the use restrictions set forth in this Article, the Board may, from time to time, without consent of the Members, promulgate, modify, or delete rules and regulations applicable to the Development. Such rules shall be distributed to all Owners and occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and occupants until and unless overruled, canceled, or modified in a regular or special meeting by a Majority of the Members, and, during the Development Period, the written consent of the Declarant, and where applicable, any Predecessor Declarant.

Sight Distance at Intersections. All property located at street intersections or driveways shall be landscaped and improved so as to permit safe sight across such areas. No fence, wall, hedge or shrub shall be placed or permitted to remain where it would cause a traffic or sight problem.

Signs. Except as may be provided for herein, approved in writing by the Association or as may be required by legal proceedings, and except for signs which may be erected by Declarant related to the development and sale of Homesites, no signs, advertising posters, flyers, political placards or billboards of any kind shall be erected, placed, or permitted to remain on the Property without the prior written consent of the Board or its designee, except that one (1) professional security sign not to exceed six inches (6") by six inches (6") in size may be displayed from within a Homesite. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association. This provision shall not affect any rights of the Declarant provided in the Declaration. Declarant and the ARB reserve the right to prohibit signs and to restrict the size, content, color, lettering, design and placement of any approved signs. All signs approved by the Board must be professionally prepared. This provision shall not apply to entry, directional, or other signs installed by Declarant or its duly authorized agent as may be necessary or convenient for the marketing and development of the Development.

Storage of Materials, Garbage, Dumping, Etc. No garbage or trash shall be placed on the Common Property temporarily or otherwise, except as provided herein. Rubbish, trash and garbage shall be disposed of in appropriate sealed bags and placed in proper trash receptacles for collection, located or screened so as to be concealed from view of neighboring streets and property. No Owner or occupant shall be permitted to place any garbage can, recycling bin, trash bag or any other form of rubbish in the area located within the Common Property, as designated by the Board, except within the twelve (12) hours preceding such Owner or occupant's scheduled garbage or recycling pickup. All such garbage, trash and rubbish receptacles shall be removed from the area located within the Common Property courtyard, as designated by the Board, within twelve (12) hours after such scheduled garbage or recycling pickup. There shall be no dumping of grass clippings, leaves or other debris; rubbish, trash or garbage; petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake within the Development, except that fertilizers may be applied to landscaping on Homesites provided care is taken to minimize runoff.

Each Owner shall maintain its Homesite in a neat and orderly condition throughout initial construction of a residential dwelling and not allow trash and debris from its activities to be carried by the wind or otherwise scattered within the Development. Storage of construction materials on the Homesite shall be subject to such conditions, rules, and regulations as may be set forth in the Architectural Standards. Each Owner shall keep roadways, easements, swales, and other portions of the Development clear of silt, construction materials and trash from its activities at all times. Trash and debris during initial construction of a residential dwelling shall be contained in standard size dumpsters or other appropriate receptacles and removed regularly from Homesites and shall not be buried or covered on the Homesite. Any Homesite on which construction is in progress may be policed prior to each weekend, and during the weekend all materials shall be neatly stacked or placed, and any trash or waste materials shall be removed. In addition, Owners shall remove trash and debris from the Homesite upon reasonable notice by Declarant

in preparation for special events.

Streams. No streams which run across any Homesite may be dammed, or the water therefrom impounded, diverted, or used for any purpose without the prior written consent of the Board.

Subdivision of Homesite. No Homesite shall be subdivided or its boundary lines changed after a subdivision plat including such Homesite has been approved and filed in the Public Records, except with the prior written approval of Declarant during the Development Period, and the prior written consent of the ARB thereafter. In addition, no home shall be subdivided or partitioned to create housing for more than a single family. Declarant, however, hereby expressly reserves the right to replat any Homesite or Homesites owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Swimming Pools. No swimming pool shall be constructed, erected or maintained upon any Homesite without the prior written consent of the ARB and in no event shall any above-ground swimming pool be permitted.

Television Antennas and Satellite Dishes. All television antennae, satellite dishes, dishes which receive video programming services via multipoint distribution services and any other device used for the reception of television broadcast signals, direct broadcast satellite services or multichannel multipoint distribution (wireless cable) services must be one (1) meter or less in diameter, must be located to the rear of a home and not visible from the street (unless such location would preclude reception of an acceptable quality signal) and may not be affixed to any portion of the Common Area. Owner shall submit written evidence to the Association if such a device is unable to receive an acceptable quality signal in a location to the rear of the home. Antennas, satellite dishes or any other apparatus for the reception of television or satellite signals may be installed by Owners in accordance herewith without prior approval of the ARB; provided, however, Owners do so at their own risk, and in accordance with Article 10 of the Declaration, and any local, state or federal law or regulation. In the event such devices are installed outside of these guidelines, the ARB may take such actions deemed appropriate and within the scope of any law or regulation to cause a correction to be made by the responsible Owner. Further, neither the Association, nor the ARB shall be responsible for repairs necessitated by the improper installation of such device on the exterior of any Homesite. Owners should also be aware that improper installation of such devices may invalidate any warranty given by suppliers of materials or Declarant.

Temporary or Detached Structures. Except as may be permitted by the ARB during initial construction, no temporary house, dwelling, doghouse, garage or outbuilding shall be placed or erected on any Homesite. Except as expressly permitted in this Declaration, no mobile home, trailer home, travel trailer, camper or recreational vehicle shall be stored, parked or otherwise allowed to be placed on a Homesite as a temporary or permanent dwelling. However, this subsection shall not be construed to prevent Declarant and those engaged in development, construction, marketing, property management or sales from using sheds, trailers or other temporary structures for any of the foregoing purposes. In addition, nothing in this Declaration shall be construed to prevent Declarant from developing, constructing, marketing, or maintaining model homes or speculative housing within the Development.

Tree Removal. No trees that are more than six (6) inches in diameter at a point two (2) feet above the ground shall be removed without the prior written consent of the ARB; provided however, any trees, regardless of their diameter, that are located within ten (10) feet of a drainage area, a sidewalk, a residence, or a driveway, or any diseased or dead trees needing to be removed to promote the growth of other trees or for safety reasons may be removed without the written consent of the ARB. The ARB may adopt or impose requirements for, or condition approval of, tree removal upon the replacement of any tree removed.

Notwithstanding the foregoing, Declarant may remove any trees on Homesites or the Common Properties if, in its discretion, such removal is necessary for construction, development, aesthetic or safety purposes.

Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities which might tend to cause disorderly, unsightly, or unkempt conditions, including without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, shall not be pursued or undertaken on any part of the Development. Clothing, clotheslines, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the residence. Only appropriate outdoor items, such as neatly stacked firewood, patio furniture and grills may be kept on the patio or deck serving the Homesite.

Utility Lines. Overhead utility lines, including lines for cable television, are not permitted except for temporary lines as required during construction and lines installed by or at the request of Declarant.

Vehicles and Parking. Vehicles may be parked in garages, driveways or other areas designated by the Board for parking, and as permitted hereunder. Except as expressly permitted herein, parking vehicles on streets, in yards, on sidewalks or within the Common Area is strictly prohibited. An Owner or occupant of a Homesite shall be permitted to park the maximum number of cars or similarly sized motor vehicles that can be parked in a garage according to its design capacity. Cars or similarly sized motor vehicles may also be parked in driveways. Parking in other areas may also be permitted if authorized in writing by the Board. No motorized vehicles shall be permitted on pathways or unpaved Common Property except for public safety vehicles authorized by the Board.

Disabled and stored vehicles are prohibited from being parked on the Development, except in garages. For purposes of this Article, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Development for fourteen consecutive or non-consecutive Days or longer without being driven and without prior written Board permission.

Boats, "jet skis" or other watercraft, trailers, motorcycles, buses, panel trucks, trucks with a load capacity of one (1) ton or more, vans (excluding vans used by handicapped persons, mini-vans or utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Tennessee Department of Motor Vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors other than Sheriff's, Marshall's or police officer's vehicles marked as such, are also prohibited from being parked on a Homesite or on the Development, except in garages, unless the Owner first obtains the written consent of the ARB to park such vehicle on a hard-surfaced area which is not visible from the Common Property; provided however, guests of an Owner or occupant may park a recreational vehicle on the driveway serving such Owner's or occupant's Homesite for a period not to exceed seven (7) Days each calendar year. The ARB shall, in its sole discretion, decide whether such parked vehicle is visible. Notwithstanding the foregoing, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the Development during normal business hours, but only for such periods of time as are reasonably necessary for loading and unloading, providing delivery service or as needed for construction or reconstruction work within the Properties.

If any vehicle is parked on any portion of the Development in violation of this Article or in violation of the Association's rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of a person to contact regarding the alleged violation. A notice also shall be conspicuously placed at the Development stating the name and telephone number of the person or entity which will do the towing or booting. If twenty-four (24) hours after such notice is placed on the vehicle

the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or occupant's Homesite or residence, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed or booted in accordance with this Article, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing activity. The Association's right to tow or boot is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

The cost of towing and/or booting any vehicle shall be chargeable to the owner of the vehicle and/or the Owner of the Homesite to which the vehicle is visiting and such cost shall be collectable in the same manner as assessments.

Window Treatments. No foil or other reflective materials shall be used on any window for sunscreens, blinds, shades or for any other purpose. The side of any window treatment that is visible from the outside of a residence located on a Homesite shall be white or off-white in color. Bed sheets and/or towels shall not be used as window treatments. Window air-conditioning units are prohibited.

Yard and Garage Sales. No garage sale, yard sale, flea market, or similar activity shall be conducted in any portion of the Development without prior written Board consent. If so permitted, any such activities shall be subject to all reasonable conditions that the Board may impose.