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BYLAWS
OF
CORONADA CONDOMINIUM ASSOCIATION, INC.
A CONDOMINIUM
IN
NASHVILLE, DAVIDSON COUNTY, TENNESSEE

ARTICLE I

Plan of Condominium Unit Ownership

Section 1. Condominium Unit Ownership. The horizontal property regime located at 7007 Harding Road, Metropolitan Nashville, Davidson County, Tennessee, hereinafter sometimes referred to as "CORONADA" "condominium" or "condominium project", has been submitted to the provisions of Chapter 27 of Title 64, Tennessee Code Annotated, by a Master Deed recorded in the Register's Office of Davidson County, Tennessee, simultaneously herewith.

Section 2. Applicability of Bylaws. The provisions of these Bylaws shall apply to and govern Coronada Condominium Association, Inc., a Tennessee non-profit corporation. The provisions of these Bylaws shall also be applicable to the condominium project as defined in the Master Deed including any future expansion and to the use and occupancy thereof. The Bylaws and each change made in accordance herewith are and shall be covenants running with each condominium unit and binding on each successive condominium unit owner, lessee, or mortgagee of each unit in the condominium project. All present and future owners, mortgagees, lessees, and occupants of condominium units and their employees and any other persons who may use the facilities of the condominium project in any manner are subject to these Bylaws. The acceptance of a deed or conveyance, or the entering into of a lease, or the act of occupancy of a condominium unit shall constitute an acceptance of the provisions of these instruments and an agreement to comply herewith.

Section 3. Office. The principal office of the condominium project and of the Board of Managers shall be located at 7007 Harding Road, Nashville, Tennessee, or at such other place as the Board of Managers may designate from time to time.

ARTICLE II

Board of Managers

Section 1. Number and Qualification. The affairs of the condominium project shall be governed by a Board of Managers. Until forty-eight (48) months from the effective date hereof, and thereafter until their successors shall have been elected by the unit owners, the Board of Managers shall consist of such persons as may be designated by the Developer. Provided, however, that this provision may be waived by the Developer at any time. Thereafter the Board of Managers shall be composed of nine (9) persons, five (5) of whom shall be members of the Association.

Section 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the condominium project except such powers and duties as by law or by the Master Deed or by these Bylaws may not be delegated to the Board of Managers by the condominium unit owners. The powers and duties to be exercised by the Board of Managers shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the common elements;

(b) Determination of the amounts required for operation, maintenance, and other affairs of the condominium;

(c) Collection of the common charges from the unit owners;

(d) Employment and dismissal of personnel as may be necessary for the efficient maintenance and operation of the condominium;

(e) Adoption and amendment of rules and regulations covering the details of the operation and use of the condominium property;

(f) Opening of bank accounts on behalf of the condominium project and designating the signatories required therefore;

(g) Purchasing, leasing, or otherwise acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all condominium unit owners, condominium units offered for sale or lease or surrendered by their owners to the Board of Managers;

(h) Purchasing condominium units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all unit owners;

(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Managers), or otherwise dealing with condominium units acquired by, and subleasing condominium units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all unit owners;

(j) Acquiring title to or leasing condominium units on behalf of all unit owners;

(k) Obtaining insurance for the common elements pursuant to the provisions of Article V, Section 2 hereof; and

(l) Making repairs, additions, and improvements to, or alterations of, the condominium property, and repairs to and restoration of the property in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

Section 3. Managing Agent and Manager. The Board of Managers may employ for the condominium, a managing agent and/or a manager at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the manager or managing agent, all of the powers granted to the Board of Managers by these Bylaws other than the powers set forth in subdivisions (b), (e), (f), and (j) of Section 2 of this Article II. The Developer or its designee may be employed as manager or managing agent, and as such shall be entitled to any reasonable profit which it may earn from its management and operation of the condominium project.

Section 4. Election and Term of Office. At the first annual meeting of the condominium unit owners at which the unit owners are allowed to vote on members of the Board of Managers, the unit owners shall elect nine (9) persons to the Board. The term of office of three (3) members of the Board of Managers shall be fixed at three (3) years, the term of office of three (3) members of the Board of Managers shall be fixed at two (2) years, and the term of office of three (3) members of the Board of Managers shall be fixed at one (1) year. At the expiration of the initial term of office of each respective member of the Board of Managers, his successor shall be elected to serve for a term of three (3) years. Unless removed, the members of the Board of Managers shall hold office until their respective successors shall have been elected by the unit owners.

Section 5. Removal of Members of Board of Managers. At any regular or special meeting of unit owners, any one or more of the members of the Board of Managers, other than those members appointed by the Developer, may be removed with or without cause by a majority of the condominium unit owners and a successor may then and there or thereafter be elected by the unit owners to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. Should any member of the Board of Managers be absent from four (4) consecutive regular meetings of the Board of Managers, the Board may, by action taken at the meeting during which the fourth absence occurs, declare the office of said absent member to be vacant.

Section 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Managers for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Organization Meeting. The first meeting of the members of the Board of Managers following the annual meeting of the condominium unit owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the newly elected Board. Notice shall be sent to the newly elected members of the Board of Managers in order legally to constitute such meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers. Such meetings shall be at least quarterly. Written notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers at least three (3) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers, given in writing, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may, at any time, waive notice of any meeting of the Board of managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall

constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Managers shall obtain adequate fidelity bonds for all officers and employees of the condominium project handling or responsible for condominium funds. The premiums on such bonds shall constitute a common expense.

Section 13. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the condominium unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The condominium unit owners shall indemnify and hold harmless each member of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the condominium project unless any such contract shall have been made in bad faith or contrary to the provisions of the declaration or of these Bylaws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the condominium project. It is also intended that the liability of any condominium unit owner arising out of any contract made by the Board of Managers or out of the indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all the unit owners in the common elements.

Section 14. Declaration of Default. Should a majority of the Board of Managers determine that any condominium unit owner is in default in the performance of any condominium unit owner's obligations contained in the Master Deed, these Bylaws, or if such condominium unit owner should be in violation of any of the same of the rules and regulations established by the Board of Managers, then the Secretary of the Board of Managers shall send written notice of such default to such condominium unit owner and if such default is not cured to the satisfaction of such Secretary within a reasonable time, then the Secretary shall proceed to enforce the remedies given herein and by law.

Section 15. Notice to Unit Owners. All meetings of the Board of Managers shall be open to all condominium unit owners. Notice of such meetings shall be given to the unit owners by placing same on a bulletin board in the clubhouse or by other suitable means. Notice need not be given for emergency special meetings.

ARTICLE III

Condominium Unit Owners

Section 1. Annual Meetings. Within forty-eight (48) months of the effective date hereof, the initial Board of Managers shall notify all condominium unit

owners and a meeting of the unit owners shall be held within thirty (30) days thereafter on a call issued by the President. Thereafter, annual meetings of the condominium unit owners shall be held on the 15th day of January of each succeeding year, unless such date shall occur on a Saturday or Sunday, in which event the meeting shall be held on the succeeding Monday. At such meetings the Board of Managers shall be elected by ballot of the condominium unit owners in accordance with the requirements of Section 4 of Article II of these Bylaws. The unit owners may transact such other business at such other meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the condominium unit owners shall be held at the principal office of the condominium or at such other suitable place convenient to the unit owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by condominium unit owners owning a total of at least 25% of the then existing units in the condominium project. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The Secretary shall mail to each condominium unit owner of record, a notice of each annual or special meeting of the unit owners, at least ten (10) but not more than twenty (20) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, at the building or at such other address as such unit owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meetings of co-owners cannot be held because a quorum has not attended, a majority of the co-owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time approved by a majority of those then present.

Section 6. Order of Business. The order of business at all meetings of the unit owners shall be as follows:

(a) Roll call;

(b) Proof of notice of meeting;

(c) Reading of minutes of preceding meeting;

(d) Reports of officers;

(e) Report of Board of Managers;

(f) Reports of committees;

(g) Election of inspectors of election (when so required);

(h) Election of members of the Board of Managers (when so required);

(i) Unfinished business; and

(j) New business.

Section 7. Voting. Voting shall be pursuant to Paragraph 16 of the Master Deed. The owner or owners of each condominium unit, or some person designated by such unit owner or owners to act as proxy on his or their behalf and who need not be a unit owner, shall be entitled to cast the vote appurtenant to

such unit at all meetings of unit owners. The designation of any such proxy shall be made in writing to the Secretary by the owner or owners so designating. Each unit owner shall be entitled to cast one vote at all meetings of the unit owners for each condominium unit owned. A fiduciary shall be the voting member with respect to any condominium unit owned in a fiduciary capacity.

Section 8. Majority of Condominium Unit Owners. As used in these Bylaws the term "majority of condominium unit owners" shall mean those unit owners having more than 50% of the total authorized votes of all unit owners present in person or by proxy and voting at any meeting of the unit owners, determined in accordance with the provision of Section 7 of this Article III.

Section 9. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of condominium unit owners having one-third (1/3) of the total authorized votes of all unit owners shall constitute a quorum at all meetings of the unit owners. The votes of the Developer shall not be included for quorum purposes.

Section 10. Majority Vote. The vote of a majority of condominium unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the Master Deed, or by these Bylaws.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the condominium project shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President must be members of the Board of Managers. No other officer need be a member of the Board of Managers or need be a unit owner; five (5) of the members of the Board of Managers must, however, be unit owners.

Section 2. Election of Officers. Officers shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President. The President shall be the chief executive officer of the condominium project. He shall preside at all meetings of the condominium unit owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the General Corporation Act of the State of Tennessee, including but

not limited to the power to appoint from among the unit owners any committee which he decides is appropriate to assist in the conduct of the affairs of the condominium project.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President, and he shall, in general, perform all of the duties incident to the office of Vice President of a corporation organized under the General Corporation Act of the State of Tennessee.

Section 6. Secretary. The Secretary shall keep minutes of all meetings of the condominium unit owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; he shall send notice of meetings to the Board of Managers and the condominium unit owners, as required; and he shall, in general, perform all the duties incident to the office of Secretary of a corporation organized under the General Corporation Act of the State of Tennessee.

Section 7. Treasurer. The Treasurer shall have the responsibility for condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of Treasurer of a corporation organized under the General Corporation Act of the State of Tennessee.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks, and other instruments of the condominium project shall be executed by any two officers of the condominium project or by such other person or persons as may be designated by the Board of Managers.

ARTICLE V

Operation of the Property

Section 1. Determination of Common Expenses and Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the condominium project, determine the amount of the common charges required to meet the common expenses of the condominium project, and allocate and assess such common charges against the condominium unit owners. The allocation of the common charges shall be uniform as to all unit owners as regards common expenses for the general common elements. A separate allocation shall be made as regards common expenses, including maintenance and repairs and insurance for the limited common elements of each condominium unit. Such allocation as to the limited common elements shall be allocated according to the relationship of such unit's square feet of floor area to the total square feet of floor area of all condominium units. Provided, however, the Board of Managers is not bound to make such allocation with respect to charges that would be unfairly allocated on such basis. The allocations shall be applied uniformly to all owners of like condominium units. The common ex-

penses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article V and the fees and disbursements of the Insurance Trustee. The common expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the condominium property, including, without limitation, an amount for working capital of the condominium project for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all unit owners, of any condominium unit whose owner has elected to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise each condominium unit owner in writing of the amount of common charges payable by him, and shall furnish copies of each budget on which such common charges are based to all unit owners and to their mortgagees.

Section 2. Insurance. (a) Policies: (i) Insurance policies upon the condominium property covering the items described in subparagraph (ii) of this paragraph shall be purchased by the Board of Managers for the benefit of the condominium project and the condominium unit owners and their mortgagees as their interests may appear. Provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of condominium unit owners. Such policies and endorsement shall be deposited with the Insurance Trustee, which shall hold them subject to the provisions of this paragraph.

(ii) Insurance shall cover the following:

(1) All buildings and improvements upon the land and all personal property owned by the condominium project in an amount equal to the maximum insurable replacement value, without deduction for depreciation, as determined annually by the Board of Managers. The coverage shall include each of the several buildings in their entirety, including the common areas and limited common areas, and including the condominium units, all air-conditioning and heating units and machinery, public utility equipment, and all other service machinery and equipment initially installed by the Developer (but not including furniture, furnishings, or other personal property supplied or installed by unit owners). Such coverage shall afford protection against loss or damage by fire, water damage, and other hazards covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to buildings similar to the buildings on the land, such as vandalism and malicious mischief. Each of such policies shall contain a standard Tennessee mortgagee clause in favor of the mortgagee of a unit.

(2) Public liability in such amounts and with such coverage as shall be required by the Board of Managers, including but not limited to legal liability, employee coverage, hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the condominium unit owners as a group to an individual unit owner.

(3) Workmen's compensation as required by law.

(4) Such other insurance as the Board of Managers shall determine from time to time to be desirable.

(iii) Premiums upon insurance policies purchased by the Board of Managers shall be a common expense.

(iv) The Board of Managers is hereby irrevocably appointed agent for each condominium unit owner to adjust all claims arising under insurance policies purchased by or for the condominium project and to execute and deliver

releases upon the payment of claims.

(v) Each condominium unit owner shall be responsible for the purchasing of liability insurance for accidents occurring in his own condominium unit and for the purchasing of insurance for all of his personal property. Each unit owner may purchase other insurance for their own benefit; provided, however, that such policies shall contain waivers of subrogation and, further, that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any such unit owner.

(b) Insurance Trustee: All insurance policies purchased by the Board of Managers shall provide that proceeds covering property losses shall be paid to that bank selected by the Board of Managers as Trustee, which bank is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for the payment of premiums, for the renewal of the sufficiency of policies, or for the failure to collect any insurance proceeds. Fees of the Insurance Trustee shall be a common expense.

(c) Duties of Insurance Trustee: (i) The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold them in trust for the benefit of the Board of Managers, the condominium project, the condominium unit owners, and their mortgagees, as their interests may appear. In the event a mortgagee endorsement has been issued as to a condominium unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear.

(ii) Proceeds of insurance policies received by the Insurance Trustee shall be distributed as follows:

(1) All expenses of the Insurance Trustee shall first be paid.

(2) If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be expended as provided in Section 3 of this Article V. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of any unit and may be enforced by such mortgagee.

(3) If it is determined as provided in Section 3, that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after a reconstruction and repair, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees, being payable jointly to them. This is a covenant for the benefit of any mortgagee of any unit and may be enforced by such mortgagee.

(4) In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Board of Managers as to the names of the unit owners and their respective shares of the distribution, and as to whether or not the building is to be reconstructed or repaired.

Section 3. Repair or Reconstruction After Damage; Terms of Disbursements. (a) In the event that a loss of $25,000.00 or less occurs, the Insurance Trustee shall pay the proceeds received as a result of such loss to the Board of Managers. Upon receipt of such proceeds, the Board of Managers will promptly contract for the necessary repairs to the improvements to the common elements and the damaged condominium units.

(b) In the event the damage exceeds the sum of $25,000.00, then the Insurance Trustee shall hold all insurance proceeds in trust, and any and all other funds paid as hereinafter provided, and shall distribute the same as follows:

(i) The Board of Managers shall obtain or cause to be obtained, reliable and detailed estimates and/or bids of the cost of rebuilding and reconstructing the damage, and for the purpose of determining whether insurance proceeds are sufficient to pay for the same.

(ii) In the event the insurance proceeds are sufficient to rebuild and reconstruct all the damaged improvements or upon the collection of the necessary funds that are described in subparagraph (iii) of this paragraph, then the improvements shall be completely repaired and restored. The Board of Managers shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(iii) In the event the insurance proceeds are not sufficient to repair and replace all of the improvements so that special assessments shall be required, the following provisions shall be applicable.

(1) In the event the deficiency between the estimated cost of repairs and replacements and the insurance proceeds is less than $50,000.00, then the Board of Managers shall meet and shall determine the amount of and terms of a special assessment against the condominium unit owners thereof, to obtain the necessary funds to repair and to restore the improvements. Such assessment need not be uniform as to all unit owners, but may be in accordance with such factors as the Board of Managers shall consider to be fair and equitable under the circumstances. The Board of Managers having determined the amount of such assessment, shall immediately levy such assessment setting forth the date of payment of the same and the funds received shall be delivered to the Trustee and disbursed as provided in the preceding paragraph; or

(2) In the event the deficit between the estimated cost of repair and replacement and the insurance proceeds exceeds the sum of $50,000.00, then in that event, the Board of Managers shall order a meeting held as rapidly as possible for the purpose of determining the amount of and the methods and terms of a special assessment against the unit owners so as to obtain the necessary funds to repair and replace the improvements. Such assessment need not be uniform as to all unit owners but may be in accordance with such factors as the Board of Managers considers fair and equitable under all of the circumstances. Upon determining the amount of special assessment, the Board of Managers, shall, within the time determined for the payment of said assessment, immediately levy such assessment and the funds received shall be delivered to the Trustee and disbursed as provided in the preceding paragraph. In the event two-thirds (2/3) of the condominium unit owners of the condominium project are opposed to the special assessment, the alternative shall be a vote for the termination of the condominium project as provided for in the Master Deed. Upon such event, the insurance proceeds shall be disbursed as follows: The Insurance Trustee shall divide the insurance proceeds in proportion to the contributions of the unit owners and shall promptly pay each share jointly to the condominium unit owners and mortgagees of record of each condominium unit as their interests may appear. In making distribution to the unit owners and the mortgagees, the Insurance Trustee may rely upon a certificate of the Board of Managers as to the names of the then condominium unit owners and their respective mortgagees. It is the intention of the foregoing that the proceeds of insurance shall be distributed regardless of whether there is a vote for termination as long as two-thirds (2/3) are opposed to the special assessment.

(c) It shall be presumed that the first monies disbursed in payment of repair, replacement, and reconstruction shall be from insurance proceeds;

if there is a balance in the fund held by the Insurance Trustee after payment of all costs of repair, restoration, and reconstruction, and after payment of any and all Trustee's fees and expenses, such balance shall be distributed to the condominium unit owners in proportion with their contributions, or in the discretion of the Board of Managers, may be held for future expenses of the condominium project.

(d) The phrase in "proportion to their contributions" as used in these Bylaws shall mean the annual contributions of the unit owners as allocated by the Board of Managers.

(e) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special assessment or any other manner within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

(f) Any repair, rebuilding, or reconstruction shall be substantially in accordance with the architectural plans and specifications for the original building, or as the building was last constructed, or according to plans approved by the Board of Managers. Any material or substantial change from the foregoing architectural plans and specifications shall require approval by the institutional first mortgagee holding the highest dollar indebtedness on condominium units in the condominium project and approval by a majority of the condominium unit owners.

Section 4. Payment of Common Charges. (i) All condominium unit owners shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article V at such time or times as the Board of Managers shall determine. Nonpayment of such charges by the tenth day after the due date, shall constitute default.

(ii) No unit owner shall be liable for the payment of any part of the common charges assessed his condominium unit subsequent to a sale, transfer, or other conveyance by him thereof (made in accordance with the provisions of Section 1 of Article VII of these Bylaws). A unit owner may, subject to the conditions specified in these Bylaws, and provided that his condominium unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for unpaid common charges, convey his unit to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from common charges thereafter assessed. A purchaser of a condominium unit shall be liable for the payment of common charges assessed against such unit prior to the acquisition by him of such unit except that a mortgagee or other purchaser of a condominium unit at a foreclosure sale of such unit shall not be liable for, and such unit shall be be subject to a lien, for the payment of common charges assessed prior to the foreclosure sale.

Section 5. Collection of Assessments. The Board of Managers shall assess common charges against condominium owners from time to time and at least annually and shall take prompt action to collect from a unit owner, any common charge due, which remains unpaid by him for more than thirty (30) days from the due date for its payment.

Section 6. Default in Payment of Common Charges. In the event of default by any condominium unit owner in paying to the Board of Managers the assessed common charges, such unit owner shall be obligated to pay interest at

the maximum legal rate on such common charges from the due date thereof, together with all expenses, including attorneys' fees, in an action brought to collect such unpaid common charges. The Board of Managers shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action brought against such unit owner, or by foreclosure of the lien on such condominium unit granted by Section 64-2716 of Tennessee Code Annotated, or both.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a condominium unit because of unpaid common charges, the unit owner shall be required to pay a reasonable rental for the use of his condominium unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Board of Managers, acting on behalf of all unit owners, shall have power to purchase such condominium unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges. The Board of Managers shall promptly provide any condominium unit owner so requesting the same in writing, with a written statement of his unpaid common charges.

Section 9. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any Bylaw contained herein, or the breach of any provision of the Master Deed, shall give the Board of Managers the right, in addition to any other rights set forth in these Bylaws: (a) to enter the condominium unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Managers shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

Section 10. Maintenance and Repairs. (a) The Board of Managers shall maintain, repair and replace, as a common expense, (1) all of the common elements including, but not by limitation, all exterior surfaces of all buildings and condominium units, all landscaping, driveways and parking areas on the condominium property, and the swimming pool, tennis courts, clubhouse and all other recreational facilities; and (2) all portions of a condominium unit contributing to the support for such unit, which portions shall include, but not be limited to, the outside walls of the unit and all fixtures on the exterior thereof, boundary walls and load-bearing columns or walls, and floor and ceiling slabs; and (3) all conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utilities services which are common elements contained within the portions of a condominium unit; and (4) all incidental damage, if any, caused to a unit or the common elements by any such maintenance, repair or replacement.

(b) The responsibilities of a condominium unit owner shall be: (1) to maintain in good condition and to repair and replace at his expense, all portions of his condominium unit and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceilings, and floors), and to maintain, repair and replace the fixtures therein, including the appliances and air-conditioning equipment, both interior and exterior and to pay for any utilities which are separately metered to his apartment. Every unit owner must perform promptly, all maintenance and repair work within his unit as aforesaid, which, if omitted, would effect the condominium property, the common elements, or a condominium unit belonging to another unit owner. Each unit owner shall be ex-

pressly responsible for the damages and liability, that his failure to do so may engender; and (2) to not make any alterations in his condominium unit or any of the buildings or common elements, or remove any portion thereof, or make any additions thereto, or do anything which would or might jeopardize or impair the safety or the soundness of any of the buildings or common elements or which, in the sole opinion of the Board of Managers, would detrimentally affect the architectural design of any of the buildings, without first obtaining the written consent of the Board of Managers; and (3) to not paint or make any alterations, decoration, repair, replacement or change of or on the common elements or to any outside or exterior portion of any of the buildings or units, without the written approval of the Board of Managers, which permission may be unreasonably refused; and (4) to properly report to the Board of Managers, any defect or need for repairs, the responsibility for the remedying, of which is the Board of Managers.

(c) Any officer, agent, or member of the Board of Managers shall have the irrevocable right to have access to each condominium unit from time to time during reasonable hours as may be necessary for inspection, maintenance, repair or replacement of any common element therein necessary to prevent damage to the common elements or to another condominium unit or units. The Board of Managers may make any repairs and maintain any unit owner's condominium unit and charge the cost of the same to the effected unit owner when the failure to perform such maintenance and/or repair work would adversely and detrimentally effect the common elements, a condominium unit belonging to another unit owner, or the condominium project.

Section 11. Terraces, Garages, Carports, Patios, Storage Areas, etc. A terrace, garage, carport, patio, storage area, etc., to which a condominium unit has sole access, shall be for the exclusive use of the unit owner of such unit. Such unit owner shall keep such areas clean and neat and free and clean of snow, ice, and any accumulation of water, and shall make all repairs thereto, resulting from his negligence, misuse, or neglect. All other repairs in, to, or with respect to such areas shall be made by the Board of Managers as a common expense, pursuant to Section 10 of this Article V.

Section 12. Use of Condominium Units. In order to provide for congenial occupancy of the condominium property and for the protection of the values of the condominium units, the use of the condominium property shall be subject to the following limitations:

(a) Each condominium unit shall be used and occupied only as a single family, private residence and for no other purpose. Except as reserved for the Developer, no condominium unit may be divided or subdivided into a smaller unit, nor shall any portion less than the whole thereof be sold or otherwise transferred. No rooms may be rented.

(b) The common elements shall be used only for the purposes for which they are intended and the furnishing of services and facilities for the enjoyment of the condominium units.

(c) No nuisance, use or practice shall be permitted on any of the condominium property which is the source of annoyance to condominium unit owners or residents or which interferes with the peaceful possession and proper use of the property by its residents. A unit owner shall not do or permit anything to be done or kept in or on his condominium unit or the common elements which would increase the rate of insurance on the condominium property. No unlawful or offensive use shall be made of the property or any part thereof. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof, shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification, or repair of the

property shall be the same as the responsibility for the maintenance and repair of the property concerned.

(d) Until the Developer has completed and initially sold all of the condominium units, neither the unit owners or the Board of Managers, nor the use of the property shall interfere with the completion of the contemplated improvements and the sale of the condominium units. The Developer may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to, the maintenance of a sales office, the showing of the property and the display of signs.

Section 13. Additions, Alterations, or Improvements by Board of Managers. Whenever in the judgment of the Board of Managers, the common elements shall require additions, alterations, or improvements, costing in excess of $5,000.00, and the making of such additions, alterations, or improvements shall have been approved by a majority of the unit owners and by those mortgagees holding mortgages constituting the first liens upon 25 or more condominium units, the Board of Managers shall proceed with such additions, alterations, or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations, or improvements costing $5,000.00 or less may be made by the Board of Managers without approval of the unit owners or any mortgagees of condominium units and the cost thereof shall constitute a common charge.

Section 14. Additions, Alterations, or Improvements by Condominium Unit Owners. No unit owner shall make any structural addition, alteration, or improvement in or to his condominium unit, without the prior written consent thereto, of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such unit owner's unit, within thirty (30) days after such request, and failure to do so within the stipulated time, shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any condominium unit, shall be executed by the Board of Managers. The Board of Managers shall not be liable to any contractor, subcontractor, or materialman or to any person substaining personal injury or property damage, for any claim arising in connection with such addition, alteration or improvement. The provisions of this Section 14 shall not apply to condominium units owned by the Developer until such condominium units shall have been initially sold by the Developer and paid for.

Section 15. Right of Access. A condominium unit owner shall grant a right of access to his unit to the manager, the managing agent and any other person authorized by the Board of Managers, the manager, or the managing agent, to make inspections; to correct any condition originating in his unit and threatening another unit or a common element, to install, alter, or repair mechanical or electrical services or other common elements in his unit, and to correct any condition which violates the provisions of any mortgage covering another unit. Requests for such entry shall be made in advance and such entry shall be scheduled for a time reasonably convenient to the unit owner. However, in case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 16. Rules of Conduct. Rules and regulations concerning the use of the condominium units and the common elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each unit owner prior to their effective date. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof, as Exhibit "A".

Section 17. Electricity. Electricity shall be supplied directly to each condominium unit through one or more meters. Each unit owner shall be required to pay the bills for electricity as allocated by the Board of Managers in its sole and absolute discretion. Such allocation may be on a different basis than the allocation of other common charges. The electricity serving the common elements shall be separately metered, and the Board of Managers shall pay all bills for electricity consumed in such portions of the common elements as a common expense.

Section 18. Exclusive Agent for Board of Managers. For an initial term of ten (10) years after the recording of the Master Deed by the Developer, and for a period of five (5) years thereafter (upon the election of Developer to exercise his option hereunder in writing by notice mailed to the Board of Managers at least sixty (60) days prior to the expiration of such initial term), the Developer shall be the exclusive agent of the Board of Managers for the execution of the decisions of the Board of Managers herein with regard to management, maintenance, repair, administration and operation of the property. This right in Developer shall be assignable by it.

Section 19. Special Assessments. In addition to the other common charges authorized herein, if either fifty-one per cent (51%) of the condominium unit owners with the concurrence of the Board of Managers or eighty per cent (80%) or more without Board approval, decide upon and vote for the construction of additional recreational and other common facilities, or the alteration, remodeling, demolition or removal of existing recreational and other common facilities from time to time, then the cost of said construction, etc., shall be financed by increasing the common charges paid by all the condominium unit owners upon the same basis as other common charges are paid and such increased common charges shall be paid monthly over a term of years if satisfactory financing can be obtained.

ARTICLE VI

Mortgages

Section 1. Mortgage of Condominium Units. No condominium unit owner may mortgage his unit or any interest therein without the written approval of the Board of Managers, except by a first mortgage to a bank, life insurance company doing business in Tennessee, or federally insured savings and loan association, all of which shall hereinafter sometimes be referred to as "approved mortgagee" or "approved first mortgagee." Where a mortgage given by one of the institutions above described, fails to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purpose of this Master Deed and exhibits and schedules annexed hereto, be deemed to be a first mortgage. The approval of any other mortgages shall be upon conditions determined by the Board of Managers and such approval may unreasonably be withheld.

Section 2. Notice to Board of Managers. A condominium unit owner who mortgages his unit, shall notify the Board of Managers of the name and address of his mortgagee and shall file a copy of the note and mortgage with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages of Condominium Units."

Section 3. Notice of Unpaid Common Charges. The Board of Managers, whenever so requested in writing by a mortgagee of a condominium unit, shall promptly report any then unpaid common charges or other default by the owner of the mortgaged unit.

Section 4. Notice of Default. The Board of Managers, when giving notice to a unit owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Managers.

ARTICLE VII

Sales and Leases of Units

Section 1. Sales and Leases. (a) No condominium unit owner, other than the Developer, may sell or lease his condominium unit or any interest therein except by complying with the provisions of this section. A unit owner's sale of his unit shall include the sale of (i) the undivided interest in the common elements appurtenant thereto; (ii) the interest of such unit owner in any condominium units theretofore acquired by the Board of Managers, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the condominium project hereinafter collectively called the "appurtenant interests."

(b) Any unit owner who receives a bona fide offer for the sale or lease of his condominium unit, hereinafter called an outside offer, which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require and shall offer to sell or to lease such unit to the Board of Managers or its designee, corporate or otherwise, on behalf of the unit owners of all other condominium units, on the same terms and conditions as contained in such outside offer. Such notice shall be mailed or delivered by hand to the Secretary of the Board of Managers. The giving of such notice shall constitute a warranty and representation by the unit owner who has received such offer, to the Board of Managers on behalf of the other unit owners, that such unit owner believes the outside offer to be bona fide in all respects.

(c) Within thirty (30) days after receipt of such notice, the Board of Managers may elect, by notice to such unit owner, to purchase or to lease such condominium unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other unit owners on the same terms and conditions as contained in the outside offer and as stated in the notice from the unit owner. In the event the Board of Managers shall elect to purchase or to lease such condominium unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close at the office of the attorneys for the condominium project forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the unit owner, if such condominium unit is to be sold, shall convey the same to the Board of Managers or to its designee, on behalf of all other unit owners, by Deed in the form required by the Board of Managers and shall pay all real property transfer taxes and all other taxes arising out of such sale.

(d) In the event such condominium unit is to be leased, the offering unit owner shall execute and deliver to the Board of Managers or to its designee, a lease between the unit owner as landlord and the Board of Managers or its designee, as tenant, covering such condominium unit on the terms and conditions contained in such outside offer. It is expressly declared that the approval of any and all leases may be on such conditions as may be determined by the Board of Managers and approval of leases may unreasonably be withheld.

(e) In the event the Board of Managers or its designee shall fail to accept such offer within thirty (30) days, the unit owner shall be free to contract to sell such condominium unit, as the case may be, to the outside offeror within sixty (60) days after the expiration of the period in which the Board of

Managers or its designee might have accepted such offer, on the terms and conditions set forth in the notice from the unit owner to the Board of Managers of such outside offer. Any Deed to any outside offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Master Deed, the Bylaws and the Rules and Regulations as the same may be amended from time to time. Any lease to an outside offeror shall be consistent with these Bylaws and shall provide that it may not be modified, amended, extended, or assigned without the prior consent in writing of the Board of Managers, that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers and that the Board of Managers shall have power to terminate such lease and to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease shall be in such form, if any, as is approved by the Board of Managers in its sole and absolute discretion. Any approval required by these Bylaws in regard to leases may be unreasonably withheld by the Board of Managers.

(f) In the event the offering unit owner shall not, within such sixty (60) day period, contract to sell or to lease such condominium unit, as the case may be, to the outside offeror on the terms and conditions contained in the outside offer, or if such a contract is entered into but not fulfilled, then the unit owner shall be required to again comply with all of the terms and provisions of this section in order to sell or to lease such unit.

(g) Any purported sale or lease of a condominium unit in violation of this section shall be voidable at the election of the Board of Managers.

Section 2. Consent of Unit Owners to Purchase or Lease by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any condominium unit without the prior approval of a majority of the unit owners.

Section 3. No Severance of Ownership. No unit owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his condominium unit without including therein, the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described herein. No part of the appurtenant interest of any unit may be sold, transferred or otherwise disposed of, except as a part of a sale, transfer, or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer, or other disposition of such part of the appurtenant interests of all units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VII may be released or waived by the Board of Managers, in which event the condominium unit may be sold, conveyed or leased, free and clear of the provisions of such Section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Board of Managers, stating that the provisions of Section 1 of this Article VII have been met by a unit owner, or have been duly waived by the Board of Managers, and that the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the unit owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any unit owner who has in fact complied with the provision of Section 1 of this Article VII or in respect to whom the provisions of such Section have been waived, upon request.

Section 6. Financing of Purchase of Condominium Units by Board of Managers. Acquisition of condominium units by the Board of Managers, or its des-

ignee, on behalf of all unit owners, may be made from the working capital and common charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each unit owner in proportion to his ownership in the common elements, as a common charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article V. Alternatively, the Board of Managers may borrow money to finance the acquistion of such unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit so to be acquired by the Board of Managers.

Section 7. Exceptions. The provisions of Section 1 of this Article VII shall not apply with respect to any sale or conveyance by a unit owner of his unit to his spouse or to any of his children or to his parent or parents or to his brothers or sisters or any one or more of them, or to a unit owned by the Developer, or to the acquisition or sale of a unit by a mortgagee herein authorized who shall acquire title to such unit by foreclosure or by deed in lieu of foreclosure. However, the provisions of such Section shall apply with respect to any purchaser of such unit from such mortgagee.

Section 8. Gifts and Devises, etc. Any unit owner shall be free to convey or transfer his unit by gift, or to devise his unit by Will or to pass the same by intestacy, without restriction.

Section 9. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell, or lease his unit unless and until he shall have paid in full to the Board of Managers, all unpaid common charges theretofore assessed by the Board of Managers against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages.

Section 10. Release or Waiver. The Board of Managers may release or waive the performance of any or all of the requirements of this Article with respect to any one or more single transactions, but such release or waiver of any or all of the provisions of this Article shall not constitute a release or waiver of the requirements of this Article with respect to any other transactions, whether relating to the same or other condominium units.

ARTICLE VIII

Condemnation

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the common elements, the award made for such taking shall be payable to the Board of Managers if such award amounts to $50,000.00 or less, and to the Insurance Trustee if such award amounts to more than $50,000.00. If seventy-five per cent (75%) or more of the unit owners duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall arrange for the repair and restoration of such common elements, and The Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five per cent (75%) or more of unit owners do not duly and promptly approve the repair and restoration of such common elements, the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these Bylaws.

ARTICLE IX

BOOK 4901 PAGE 720

Records

Section 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the unit owners, and financial records and books of account of the condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each condominium unit which, among other things, shall contain the amount of each assessment of common charges against such condominium unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the condominium shall be rendered by the Board of Managers to all unit owners at least quarter-annually. In addition, an annual report of the receipts and expenditures of the condominium, certified by an independent certified public accountant, shall be rendered by the Board of Managers to all unit owners and to all mortgagees of condominium units who have requested the same, promptly after the end of each fiscal year.

Section 2. Examination of Books. Each unit owner and each mortgagee of a condominium unit shall be permitted to examine the books of account of the condominium project at reasonable times on business days at a place designated by the Board of Managers, but not more often than once a month.

ARTICLE X

Miscellaneous

Section 1. Notices. All notices to the Board of Managers shall be sent by registered or certified mail, in care of the managing agent or if there is no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time. All notices to any unit owner shall be sent by mail to the building or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of condominium units, shall be sent by mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner, the validity, enforceability, or effect of the balance of these Bylaws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XI

Amendments to Bylaws

BOOK 4901 PAGE 721

Section 1. Amendments to Bylaws. Except as hereinafter provided otherwise, these Bylaws may be modified or amended by the vote of fifty per cent (50%) in number and in common interests of all condominium unit owners at a meeting of unit owners duly held for such purposes, but only with the written approval of those mortgagees holding mortgages constituting first liens upon seventy-five per cent (75%) or more of the condominium units. Section 1 of Article III, insofar as it provides that the Developer, so long as he is the owner of one or more condominium units, shall be entitled to elect at least one member of the Board of Managers, Section 8 of Article III, in so long as he is the owner of one or more units, may vote the votes appurtenant thereto, Section 14 of Article V, insofar as it provides that the provisions of such section shall not apply to any units owned by the Developer, Section 7 of Article VII, insofar as it provides that the Developer shall be exempt from the provisions of Section 1 of Article VII, Section 1 of Article VII, insofar as it provides for a right of first refusal to the Board of Managers and this Section 1 of Article XI, however, may not be amended without the consent in writing of the Developer, so long as the Developer shall be the owner of one or more condominium units.

ARTICLE XII

Conflicts

Section 1. Conflicts. These Bylaws are set forth to comply with the requirements of the Horizontal Property Act of the State of Tennessee. In case any of these Bylaws conflict with the provisions of such statute or the Master Deed, the provisions of such statute or the Master Deed, as the case may be, shall control.

IN WITNESS WHEREOF, these Bylaws have been executed at Nashville, Davidson County, Tennessee, on this the 4th day of APRIL, 1975.

CORONADA CONDOMINIUM ASSOCIATION, INC.

By _____
James D. Gilmore - President

_____
JAMES D. GILMORE - Developer

STATE OF TENNESSEE]
COUNTY OF DAVIDSON]

Before me, John R. Chambers, a Notary Public within and for the State and County aforesaid, personally appeared JAMES D. GILMORE, with whom I am personally acquainted, and who, upon his oath, acknowledged himself to be President of CORONADA CONDOMINIUM ASSOCIATION, INC., the within named bargainor, a corporation, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal at office at Nashville, Tennessee, this 4th day of April, 1975.

John R. Chambers
NOTARY PUBLIC

My Commission Expires:
30 August 1977

STATE OF TENNESSEE]
COUNTY OF DAVIDSON]

Personally appeared before me, John R. Chambers, Notary Public within and for the State and County aforesaid, JAMES D. GILMORE, the within named bargainor, with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal at office at Nashville, Tennessee, this 4th day of April, 1975.

John R. Chambers
NOTARY PUBLIC

My Commission Expires:
30 August 1977

IDENTIF. REFERENCE
APR 4 3 34 PM '75
FELIX Z. WILSON JR. REGISTER
DAVIDSON COUNTY, TENN.

C 93186

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