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This instrument prepared by:
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222 Third Avenue, North
P. O. Box 198062
Nashville, Tennessee 37219

IDENTIF. REFERENCE

FEB 15 4 22 PM '85

DAVIDSON COUNTY, TN

MASTER DEED ESTABLISHING HORIZONTAL PROPERTY REGIME OF SQUARE ACRES

THIS MASTER DEED, made by Estes-Taylor Company, a Tennessee corporation (the "Developer") and Bobbie Alma Williams, an unmarried individual resident of Davidson County, Tennessee ("Williams");

WITNESSETH:

WHEREAS, Developer is the owner in fee simple of a certain tract or parcel of real estate located in the City of Nashville, County of Davidson, State of Tennessee, and more particularly described in Exhibit "A", which is attached hereto and made a part hereof by reference; and

WHEREAS, Williams is the owner in fee simple of a certain tract or parcel of real estate located in the City of Nashville, County of Davidson, State of Tennessee, and more particularly described in Exhibit "B" which is attached hereto and made a part hereof by reference (the real property described in Exhibit "A" and the real property described in Exhibit "B" being referred to collectively as the "Land"); and

WHEREAS, this entire residential community comprising the Land and Buildings is herein called SQUARE ACRES, a plat of which is of record in Book 5800, page 122, Register's Office for Davidson County, Tennessee (the "Plat"); and

WHEREAS, it is the desire, intent and purpose of Developer, by this Master Deed, and of Williams, as evidenced by her joinder herein, to submit the Land, together with all structures, improvements and other permanent fixtures now or hereafter erected thereon and all rights and privileges belonging or in any wise appertaining thereto, to a horizontal property regime as allowed and permitted by the Tennessee Horizontal Property Act, being Chapter 124 of the Public Acts of 1963 of the State of Tennessee, and being Sections 66-27-101, et seq., of Tennessee Code Annotated; and to establish a "condominium project" in which each individual unit may be and shall be owned, possessed, sold, conveyed and encumbered as if it were sole and entirely independent of the

other units in the condominium buildings and in which the unit owner has an exclusive ownership of his unit and has a common right to share with other co-owners in the common elements of the land and buildings not constituting an individual unit; and

WHEREAS, Developer and Williams are further desirous of establishing for their own benefit and for the mutual benefit of all future owners or occupants of the Land and improvements thereon, or any part thereof, certain easements and rights in, over and upon the property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, Developer desires and intends, and Williams, as evidenced by her joinder herein, desires and intends, that the several owners, mortgagees, occupants and any other persons hereafter acquiring any interest in the Land and improvements thereon shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, easements, privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of such property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness thereof.

NOW, THEREFORE, for and in consideration of the premises and in consideration of the reliance hereon by the purchasers of individual units and of their purchase of individual units pursuant hereto, and as authorized by said Horizontal Property Act of the State of Tennessee, Developer, for itself and its successors and assigns, and Williams, for herself, her heirs, personal representatives and assigns, hereby declare, covenant, establish and confirm unto their grantees and unto their heirs, personal representatives, successors and assigns, as well as to any and all other persons hereafter having or acquiring any interest of any nature whatsoever in or to any part of the Land and improvements thereon as follows:

ARTICLE I
ESTABLISHING OF HORIZONTAL PROPERTY REGIME

Section 1. The Land and improvements thereon shall be and are herewith constituted and established as a condominium project and a horizontal property regime as defined in and as authorized by the Tennessee Horizontal Property Act and shall continue as such forever, unless terminated in the manner hereinafter provided.

Section 2. Each Unit, as hereinafter defined, in the Buildings, as hereinafter defined, may be and shall be individually transferred, conveyed and encumbered and shall be the subject of ownership, possession, mortgage or sale and of all types of juridic acts inter vivos or mortis causa as if it were sole and entirely independent of the other Units in the condominium Buildings, and the corresponding individual title and interest with respect to each Unit shall be recordable. In any deed, mortgage, lease or other instrument of conveyance or encumbrance of, or by which a lien is created upon, any interest or estate in a Unit or Units within the condominium, it is sufficient to describe any such Unit or Units by setting forth the name of the property, SQUARE ACRES, the number of the Unit as it appears on the Condominium Plan, as hereinafter described, and the numbers of the volumes and initial pages of the records of the Office of the Register of Deeds of Davidson County, Tennessee.

Section 3. A Unit Owner shall have an exclusive ownership of his Unit and shall have a common right to share with other Co-Owners in the Common Elements, as hereinafter defined, of the Property. Each Co-Owner may use the elements held in common in accordance with the purposes for which they are intended. Any transfer, conveyance or encumbrance of an individual Unit, whether by deed, mortgage, last will and testament, inheritance or otherwise, shall be deemed also to transfer, convey or encumber the undivided interest of the Unit Owner in the Common Elements belonging to and appertaining to said Unit, without specifically or particularly referring to the same. No Unit Owner, whether by deed, mortgage, last will and testament, inheritance or otherwise, shall have any right to transfer, convey or mortgage his Unit without also transferring, conveying or mortgaging as an incident thereto his undivided interest in the Common Elements; conversely, no Unit Owner shall have any right to transfer, convey or mortgage any part of his undivided interest in such Common Elements without also transferring, conveying or mortgaging his Unit to which his undivided interest in such Common Elements is incident.

Section 4. Any Unit may be held and owned by one (1) person or by more than one (1) person, as tenants in common, as tenants by the entirety, or in any other real estate tenancy relationship now or hereafter recognized under the laws of the State of Tennessee.

Section 5. The Common Elements, as hereinafter defined, shall remain undivided and shall not be the object of an action for partititon or for division of co-ownership by judicial proceedings or otherwise.

Section 6. Each Unit Owner, his personal representatives, successors, heirs and assigns shall, at all times, comply with the provisions and requirements of this Master Deed, the By-Laws hereinafter set forth and all amendments thereof, and shall promptly pay, when due, all assessments and his pro rata share of the expenses of administration and of maintenance and repair of the Common Elements, as hereinafter defined; failure to comply with any such provision or requirement or failure to make any such payment shall be grounds for foreclosure of the lien securing payment of the sum due or for an action to enforce the lien securing or to recover the sum due, for damages and/or for injunctive relief as hereinafter provided.

Section 7. Each and all of the rights, privileges and benefits and each and all of the duties, burdens, requirements and restrictions contained in the Horizontal Property Act of the State of Tennessee, resulting from the establishment of a horizontal property regime in accordance therewith, shall be applicable to the said Land and improvements thereon and to each Unit Owner, both with respect to his Unit and to his undivided interest in the Common Elements, except to the extent that any express contrary provision is validly made in this Master Deed or in the By-Laws forming a part hereof, and to that end, the said Tennessee Horizontal Property Act is incorporated herein by reference as fully as though set out herein in full.

ARTICLE II
DEFINITIONS

Section 1. Unless otherwise stated herein, all words and phrases used in this Master Deed shall have the definitions given in the Tennessee Horizontal Property Act, as the same now exists or may hereafter be amended.

Section 2. "Act" means the Horizontal Property Act of the State of Tennessee, as now or hereafter amended.

Section 3. "Property" means the Land described in Exhibits "A" and "B" to this Master Deed, and all improvements and structures now or hereafter erected, constructed or contained therein or thereon, including the Buildings, and all easements, rights and appurtenances belonging thereto, and all fixtures, equipment and furnishings intended for the mutual use, benefit or enjoyment of the Unit Owners.

Section 4. "Condominium Unit" or "Unit" means a part of the Property, designed or intended for independent use as a residential dwelling or such other incidental uses permitted by

this Master Deed, as set forth on the Condominium Plan attached hereto as Exhibit "C". Each Unit shall consist of (a) a separate free-standing building of one (1) or more floors or a portion of any such building which constitutes a separate and single one-family dwelling, as shown on the Condominium Plan, and (b) any part of open space upon the Land clearly delineated for independent use adjacent to and in connection with the use of any of the foregoing.

Section 5. "General Common Elements" and "Common Elements" are synonymous and shall mean all of the Property, except the Units, and shall include, but shall not be limited to, the Land, entrances and exits or communication ways, yards, gardens, all compartments or installations of central services such as power, light, gas, cold and hot water, reservoirs, water tanks and pumps, and the like, garbage incinerators and, in general, all devices or installations existing for common use, paved driveways and parking areas, pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only said Unit), public utility lines, outside walks and driveways, roadways, landscaping, permanently reserved open space, and all other portions of the Property, except the individual Units. Developer or the Board, as hereinafter defined, may from time to time designate portions of the Common Elements as Limited Common Elements including, but not limited to, automobile parking spaces and any storage areas, which will serve exclusively the Unit to which they are assigned.

Section 6. "Person" means an individual, firm, corporation, partnership, trust or other legal entity capable of holding title to real property.

Section 7. "Unit Owner" or "Co-Owner" means the Person whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit. Developer shall be deemed to be a Unit Owner so long as it is the owner or holder of title to any Unit.

Section 8. "Unit Ownership" means a part of the Property consisting of one (1) Unit and the undivided interest in the Common Elements appurtenant thereto.

Section 9. "Building" or "Buildings" means the building or buildings located on the Land and forming part of the Property and constituting or comprising the Units, as shown by the Condominium Plan attached hereto as Exhibit "C".

Section 10. "Association" means the organization of all Unit Owners, who shall automatically be and become members thereof as an incident of Unit Ownership, which such Association, through its Board of Directors, shall be

responsible for and govern the administration of the Property, and which such Association shall be the Council of Co-Owners defined in the Act. Such Association may be formed as a non-profit corporation by action of its Board of Directors.

ARTICLE III
DESCRIPTION OF LAND AND BUILDINGS

The Condominium Plan attached hereto as Exhibit "C", and by this reference made a part hereof, sets forth the areas, locations and other data as required by the Act, including (a) the Land and its exterior boundaries; (b) the Buildings; and (c) each Unit of the Buildings.

ARTICLE IV
DESCRIPTION AND NUMBER OF UNITS

Section 1. The condominium Buildings constitute or comprise thirteen (13) separate individual Units, all for residential purposes. Each Unit is identified on the Condominium Plan by a distinguishing number or other symbol. The legal description of each Unit shall refer to such identifying number or symbol.

Section 2. The ownership of undivided interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

ARTICLE V
DESCRIPTION OF GENERAL COMMON ELEMENTS

Section 1. All Common Elements and the General Common Elements are subject to the joint use and enjoyment of each and all of the Unit Owners.

Section 2. Without in any way limiting the generality of the above definition of General Common Elements and Common Elements, the said General Common Elements shall include, without limitation:

Each and all of those applicable Common Elements enumerated and defined in Section 66-27-102 of Tennessee Code Annotated, subsection (a)(7), paragraphs (A) through (G)

thereof; each and all of the Common Elements shown on the Condominium Plan; each and all of the Land, entrances and exits or communication ways, yards, gardens, all compartments or installations of central services such as power, light, gas, cold and hot water, reservoirs, water tanks and pumps, and the like, garbage incinerators and, in general, all devices or installations existing for common use, drives and parking areas, pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only said Unit), public utility lines, outside walks and driveways, roadways, landscaping, permanently reserved open space, and all other portions of the Property, except the individual Units.

Section 3. The undivided right, title and interest of each Unit Owner as an incident and appurtenance to his ownership of such Unit, in the Land and in the other General Common Elements and in all of the improvements and facilities thereon (excepting always the individual Units, as above described and as shown on the Condominium Plan) and his pro rata share in the income, if any, and of expenses and assessments and his undivided interest in the General Common Elements and facilities and improvements thereon and in the funds and property held by the Board of Directors of the Association, shall be on the basis of one (1) share per Unit.

ARTICLE VI
OWNERSHIP OF THE COMMON ELEMENTS

Each Unit Owner shall be entitled to a percent ownership interest in the Common Elements computed and determined on the basis of the total number of Units in the Buildings, with each Unit being allocated an equal percentage interest in the Common Elements, and shall remain constant unless hereafter changed by recorded Amendment to this Master Deed consented to in writing by all Unit Owners and the beneficiaries of all deeds of trust or mortgages encumbering the Units. Said ownership interests in the Common Elements shall be undivided interests, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership as set forth herein. The ownership of each Unit and of the Unit Owner's corresponding percentage of ownership in the Common Elements shall not be separated.

ARTICLE VII
ADMINISTRATION AND OPERATION OF THE PROPERTY

Section 1. The governing body of the Association of Unit Owners for the administration and operation of the Property, as provided in the Act and in this Master Deed and in the By-Laws, shall be its Board of Directors who shall be elected in the manner provided in the By-Laws. The Board of Directors of such Association shall constitute the board of administration provided for in the Act, and all right, title, powers, privileges and obligations vested in or imposed upon the board of administration in the Act and in this Master Deed and in the By-Laws shall be held or performed by the Association or by the duly elected members of the Board of Directors thereof and their successors in office. The By-Laws for the governing body shall be the By-Laws appended hereto as Exhibit "D" and made a part hereof. As used herein, the word "Board" shall mean the Board of Directors of the Association of Unit Owners, which shall constitute the board of administration of the Property.

Section 2. The Board shall be elected by the Unit Owners in accordance with the By-Laws. Neither the Board, the Association nor the Unit Owners shall be deemed to be conducting a business of any kind. All funds collected by the Board shall be held and expended for the purposes designated in the Master Deed and By-Laws and (except for such adjustments as the Board may require to reflect delinquent, prepaid and special assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Article VI hereof and shall be administered in accordance with the provisions of the Master Deed and By-Laws. Each Unit Owner shall be a member of the Association so long as he shall be a Unit Owner, and such membership shall automatically terminate when he ceases to be a Unit Owner, and upon transfer of his ownership interest, the new Unit Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association.

Section 3. The Board shall have the authority to engage the services of a manager or managing agent to maintain, repair, replace, administer and operate the condominium project to the extent deemed advisable by the Board. The Board shall require that such manager or managing agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense.

ARTICLE VIII
INDEMNITY

The members of the Board and the officers thereof or of the Association shall not be liable to the Unit Owners for any mistake of judgment or any acts or omissions taken or made in good faith as such members or officers. The Association shall indemnify and hold harmless such members or officers unless any such actions shall have been taken in bad faith or contrary to the provisions hereof. Further, the Association shall indemnify and hold harmless each of such members of the Board or officers thereof or of the Association in accordance with the provisions made for such indemnification in the By-Laws. The liability of any Unit Owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as his percentage interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Each agreement made by such members or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by such members or officers, or the managing agent, as the case may be, as agents for the Unit Owners or for the Association.

ARTICLE IX
BOARD'S DETERMINATION BINDING

In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any question of interpretation or application of the provisions of the Master Deed or By-Laws, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

ARTICLE X
USE OF THE COMMON ELEMENTS

Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners, as may be required for the purposes of access and ingress to, egress from, and use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and the agents, servants, tenants, family members and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving exclusively his Unit. Such rights to use and possess the Common Elements, including the Limited Common

Elements, shall be subject to and governed by the provisions of the Act and of this Master Deed and the By-Laws herein and the rules and regulations of the Board. The Board shall have the exclusive authority from time to time to adopt or amend administrative rules and regulations governing the use, occupancy and control of the Common Elements as more particularly provided in the By-Laws. Automobile parking spaces and storage areas on the Property (except storage areas within the Units or designated as Limited Common Elements) shall be part of the Common Elements and shall be allocated by the Board to the respective Unit Owners for their exclusive use. The Board shall have the authority to lease or to grant licenses or concessions with respect to parts of the Common Elements, subject to the provisions of the Master Deed and By-Laws, including specifically, but not by way of limitation, common parking areas, parking spaces and storage areas not allocated to Unit Owners, and recreational areas.

ARTICLE XI
COMMON EXPENSES AND ASSESSMENTS

Section 1. All charges, costs, and expenses whatsoever incurred by the Association for or in connection with the administration of the Property, including, without limitation, the operation thereof, all maintenance, repair, replacement, and restoration of the Common Elements and any additions and alterations thereof, all labor, services, materials, supplies, and equipment therefor, water to be provided on a common meter basis, all liability whatsoever for loss or damage arising out of or in connection with the Common Elements or any accident, fire or nuisance thereof, all real property taxes (except real property taxes and such other taxes which are or may hereafter be assessed separately on each Unit and the common interest in the Common Elements appertaining thereto or the personal property or other interest of the owner), and all premiums for hazard, liability and other insurance herein required with respect to the Property shall constitute common expenses of the condominium project and all Unit Owners shall be severally liable for such common expenses in the same proportion as their percentage shares in the Common Elements. The Board shall from time to time, as provided in the By-Laws, assess the common expenses against all the Units according to their respective obligations therefor, and the unpaid amount of such assessments, together with interest thereon at the highest effective rate allowed by applicable law and all costs in collecting the same, including reasonable attorney's fees, against any Unit shall constitute a lien against such Unit. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Unit Owner at the time when the

assessment is due. The personal obligation for delinquent assessments shall not pass to the successors in title of such Unit Owner unless expressly assumed by such successors in title. Assessments for the payment of common expenses shall be in such amounts and shall be payable at such times as determined in the manner provided in the By-Laws, except that commencement of the assessments shall occur upon the conveyance by Developer of the first Unit.

Section 2. For and in consideration of the privileges, protections, mutual enjoyment and use of the Common Elements and the premises contained herein and the sum of One ($1.00) Dollar, the receipt and sufficiency of which is hereby acknowledged, the said Unit Owners, jointly and each separately, for themselves, their heirs, executors, administrators, successors and assigns (the "Trustors"), hereby transfer and convey unto Patrick L. Alexander, Trustee, his successors in trust and assigns, their respective Units and corresponding interests in the Common Elements, together with the appurtenances, estate, title and interest thereto belonging for the purpose of securing payment of their pro rata share of the common expenses and all other assessments thereon, whether common or special, when due, together with interest thereon and all costs in collecting the same, including reasonable attorneys fees, as set forth in Section 1 of this Article XI. If Trustors shall pay their pro rata share of the common expenses and all other assessments, common or special, when due as aforesaid, then this trust conveyance shall be of no further force or effect. But if said indebtedness, or any payment thereof, is not paid promptly when due, this trust conveyance shall remain in full force and effect, and the said Trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty (20) days' notice by three (3) publications in any newspaper, daily or weekly, published in Davidson County, Tennessee, to sell, either in person or through an agent duly appointed by him for this purpose, the respective Units and corresponding interests in the Common Elements at the front door of the Courthouse in said County to the highest bidder for cash, at public outcry, free from the equity of redemption, homestead, dower, distributive share and all other rights or exemptions of every kind, which are hereby expressly waived; and the said Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. Said sale may be adjourned from day to day by the Trustee or his agent or successor, by announcement at the Courthouse on the date the sale is originally set, or any adjournment thereof, and may be reset at a later date without any additional publication. The Association may bid and purchase at any sale under this trust conveyance. The Trustee may, at any time after default in the payment of any of said indebtedness, enter and take possession of the respective Units and shall only account for the net rents actually received by

him. It is further agreed that, in the event the Trustee fails, before selling the respective Units as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a deed therefor. In case of sale hereunder, the proceeds will be applied by the Trustee first, to the payment of all costs, charges and expenses of executing this trust conveyance and enforcing said lien as herein provided, including reasonable attorney's fees, and second, to the payment of all unpaid indebtedness herein secured. Any balance of proceeds remaining after satisfaction of such charges and unpaid common expenses and assessments shall be paid to Trustors, or their order. The Association may, at any time and from time to time, without assigning cause, by instrument in writing, substitute and appoint a successor or successors to the Trustee, which instrument executed, acknowledged and recorded in the Office of the Register of Deeds of Davidson County, Tennessee, shall be conclusive proof of the proper substitution and appointment of such successor Trustee, who shall have all the right, title, estate, powers, duties and privileges of the predecessor Trustee, without the necessity of any conveyance from such predecessor Trustee. Suit to recover any money judgment for unpaid common expenses or other assessments, common or special, shall be maintainable without foreclosing or waiving the lien securing the same.

ARTICLE XII
SEPARATE MORTGAGES

Section 1. Each Unit Owner shall have the right, subject to the provisions herein, to grant or make a separate deed of trust or mortgage on his respective Unit, together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to grant or make or cause to be granted or made any deed of trust or mortgage or other lien on or affecting the Property or any part thereof, except only to the extent of his Unit and his respective ownership interest in the Common Elements.

Section 2. Any first deed of trust or mortgage on a Unit shall be superior to the lien for unpaid common expenses or other charges authorized hereunder having a due date, prior to the satisfaction, cancellation or foreclosure of such first deed of trust or mortgage or the sale or transfer of the encumbered Unit pursuant to any proceeding in lieu of foreclosure or the sale or transfer of the encumbered Unit pursuant to sale under power contained in such first deed of trust or mortgage. The sale or transfer of any Unit which is subject to any first deed of trust or mortgage pursuant to a foreclosure thereof or under a power of sale or any proceeding

in lieu of foreclosure thereof shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve any Unit from the lien for any assessment thereafter becoming due. Except as herein provided, the sale or transfer of any Unit shall not affect any assessment lien. This Section 2 of Article XII shall not be amended, changed, modified or rescinded without the prior written consent of all first mortgagees and beneficiaries of first deeds of trust of record.

ARTICLE XIII
SEPARATE REAL ESTATE TAXES

It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements.

ARTICLE XIV
INSURANCE

Section 1. The Board shall have the authority to and shall obtain insurance for the Common Elements and, at its option, for the Units against loss or damage by fire and such other hazards as the Board may deem desirable, for the full insurable replacement cost thereof. The Board shall also have the authority to and shall obtain comprehensive public liability insurance, including liability for injuries to and death of persons and property damage, in such limits as it shall deem desirable and workmen's compensation insurance and other liability insurance as it may deem desirable, insuring each Unit Owner, the Association, its officers, members of the Board, the Developer, the manager or managing agent of the condominium project, if any, and their respective employees and agents, from liability in connection with the Common Elements and the streets adjoining the Property and insuring the officers of the Association and members of the Board from liability for good faith actions within the scope of their respective authorities. Such insurance coverage shall include cross liability claims of one (1) or more insured parties against other insured parties. Such insurance shall be written in the name of the Association, and the premiums for such insurance shall be common expenses.

Section 2. Each Unit Owner shall be deemed to have delegated to the Board his right to adjust with insurance companies all losses under policies purchased by the Board except in any case where the damage is restricted to one (1) Unit, subject to the rights of the mortgagee of such Unit Owner. In addition to the aforesaid insurance required to be carried by the Association, any Unit Owner may, if he wishes, at his own expense, insure his own Unit for his own benefit and carry any and all other insurance he deems advisable.

Section 3. Each Unit Owner shall be responsible for insurance on the contents of his own Unit and furnishings and personal property therein, and his personal property stored elsewhere on the Property, and his personal liability to the extent not covered by the liability insurance for all of the Unit Owners obtained as part of the common expenses as above provided.

Section 4. In the event of damage to or destruction of any Buildings or Common Elements as a result of fire or other casualty covered by insurance proceeds [unless more than two-thirds (2/3) of all the Buildings requires reconstruction], the Board shall, in its discretion, with the prior written approval of a majority of the mortgagees of the Units affected, but without the intervention of any Unit Owner, arrange for the prompt repair and restoration of the damaged portions of all Units, Buildings and Common Elements substantially in accordance with the original plans and specifications therefor. Where the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid by all Unit Owners directly affected by the damage, in proportion to each such Unit's percentage of ownership in the Common Elements. The Board shall not be responsible for the repair, replacement or restoration of any wall, ceiling or floor decorations or covering, or furniture, furnishings, fixtures, appliances or equipment installed in the Unit by a Unit Owner or occupant unless insurance therefor is specifically provided for in the insurance policy obtained by the Board.

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of any of the Buildings are destroyed or damaged by fire or other casualty, as determined by the Board. In such case, unless the Board shall decide otherwise, the insurance proceeds shall be delivered to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the respective percentage interests of the Unit Owners in the Common Elements; and the Board, as soon as reasonably possible and as agent for the Unit Owners, shall sell the Property, in its then condition, free from the effect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale and the net proceeds of all insurance policies shall

thereupon be distributed to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the respective percentage interests of the Unit Owners in the Common Elements. If the Board fails to consummate a sale pursuant to this paragraph within twenty-four (24) months after the destruction or damage occurs, then the Board shall, or if it does not, any Unit Owner or mortgagee may, record a sworn declaration setting forth such circumstance and reciting that under the provisions of this Master Deed the prohibition against judicial partition has terminated and that judicial partition of the Property may be obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, this horizontal property regime shall terminate.

Section 5. Unless the insurance policy shall expressly prohibit a waiver of subrogation or shall be rendered invalid by an agreement providing for a waiver of subrogation, neither the Unit Owners, their mortgagee(s), the Board nor the insurers shall have any right of action against any other Unit Owner or the Board, it being the intention of this provision that all insurance carried for the use and benefit of any Unit Owner shall inure to protect every other Unit Owner and the Board, including the family, servants, agents, invitees, and guests of each.

ARTICLE XV
MAINTENANCE, REPAIRS AND REPLACEMENTS

Section 1. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements of and within his own Unit, including, but not limited to, the interior and exterior of such Unit. Maintenance, repairs and replacements of the Common Elements, including all paved drives and parking areas and all lawns, except those enclosed in accordance with the provisions of Article XXIX hereof, shall be furnished by the Board as part of the common expenses, subject to the rules and regulations of the Board; provided that, at the discretion of the Board, maintenance, repairs and replacements of the Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby and further, at the discretion of the Board, it may direct such Unit Owners, in the name and for the account of such Unit Owners, to arrange for such maintenance, repairs and replacements, to pay the cost thereof, and to procure and deliver to the Board such lien waivers and contractors' and subcontractors' sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

Section 2. The Board may cause to be discharged any mechanic's lien or other encumbrance which, in the opinion of the Board, may constitute a lien against the Land or Common Elements, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including reasonable attorney's fees) incurred by reason of such lien.

Section 3. Whenever the Board shall determine, in its discretion, that any maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Buildings, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owner, which notice may be served by delivering a copy thereof to any occupant of such Unit, or by mailing the same by certified or registered mail addressed to the owner at the Unit. If such Unit Owner fails or refuses to perform any such maintenance or repair within a reasonable time stated in the notice (or any extension thereof approved by the Board), the Board may cause such maintenance and repair to be performed at the expense of such Unit Owner.

Section 4. If, due to the act or neglect of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by insurance.

Section 5. The authorized representatives of the Association shall be entitled to reasonable access to the individual Units as may be required in connection with the preservation of any individual Unit or in the event of an emergency, or in connection with maintenance of repairs or replacements within the Common Elements, or any equipment, facilities or fixtures affecting or serving other Units or Common Elements, or to make any alteration required by any governmental authority.

Section 6. The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Article XV. All expenses which, pursuant to this Article XV, are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner, shall be payable by such Unit Owner as prescribed by the Board, and shall constitute a lien against such Unit enforceable as herein provided.

ARTICLE XVI
ALTERATIONS, ADDITIONS OR IMPROVEMENTS

No alterations of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses (or in the case of Limited Common Elements may charge to the Unit Owner benefited thereby) alterations and improvements of, and additions to, the Common Elements; provided, however, that in the event the costs thereof are to be charged as common expenses the Board shall not approve such alterations, improvements or additions requiring expenditure in excess of One Thousand ($1,000.00) Dollars without the approval of Unit Owners having at least three-fourths (3/4) of the total vote. Any Unit Owner may make alterations, additions or improvements to his Unit without the prior written approval of the Board, but in any event such Unit Owner shall be responsible for any damage to other Units, the Common Elements, or the Land as a result of such alterations, additions or improvements.

ARTICLE XVII
DECORATING

Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating of his own Unit from time to time, including interior and exterior painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps, and other furnishings and interior decorating. Exterior painting and the use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Buildings, shall be subject to the rules and regulations of the Board. Decorating of the Common Elements and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the common expense.

ARTICLE XVIII
ENCROACHMENTS

If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements or any other Units, as the Common Elements and Units are shown by the survey

comprising the Condominium Plan, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved to the extent of such encroachments so long as the same shall exist.

ARTICLE XIX
RESTRICTIONS ON SALE, LEASE OR OTHER ALIENATION

Section 1. If any Unit Owner, other than Developer and other than a mortgagee acquiring a Unit by foreclosure or by deed in lieu of foreclosure, shall desire at any time to sell or lease his Unit Ownership, or if any lessee of any Unit wishes to assign or sublease such Unit, other than to a person related by blood or marriage to the Unit Owner, he shall first give to the Board at least ten (10) days' prior written notice of the proposed sale or lease, which notice shall state the name and address and financial and character references of the proposed purchaser or lessee and the terms of the proposed sale or lease. During the period of ten (10) days following the Board's receipt of such written notice, the Association shall have the first right at its option to purchase or lease such Unit Ownership upon the same terms as the proposed sale or lease described in such notice. If the Board shall give written notice to such Unit Owner within a ten (10) day period that the Association has elected not to exercise such option, or if the Board shall fail to give written notice to such Unit Owner upon the same terms as herein provided, then such Unit Owner may proceed to consummate said proposed sale or lease transaction at any time within the next ninety (90) days thereafter; and if he fails to consummate said proposed sale or lease transaction within said ninety (90) days, his Unit Ownership shall again be subject to the Association's right of first option as herein provided.

Section 2. Any Unit Owner, other than Developer and other than a mortgagee acquiring a Unit by foreclosure or by deed in lieu of foreclosure, who wishes to make a gift of his Unit Ownership or any interest therein to any person or persons who would not be heirs at law of the Unit Owner according to the laws of descent of the State of Tennessee, shall give to the Board not less than thirty (30) days' written notice of his or her intent to make such gift prior to the contemplated date thereof, together with the name and address of the intended donee and the contemplated date of said gift. The Association shall at all times have the first right and option to purchase such Unit Ownership or interest therein for cash at fair market value to be determined by appraisal as herein provided, which option shall be exercisable until the date of expiration as provided herein. Within five (5) days after the Board's receipt of said written notice, the Board and the Unit Owner

desiring to make such gift shall each appoint a qualified real estate appraiser to act as appraiser. The two (2) appraisers so appointed shall, within five (5) days after their appointment, appoint another qualified real estate appraiser to act as third appraiser. Within five (5) days after the appointment of said appraiser, the three (3) appraisers shall determine, by majority vote, the fair market value of the Unit Ownership or interest therein which the Owner contemplates conveying by gift, and shall thereupon give written notice of such determination to the Unit Owner and the Board. The Association's option to purchase the Unit Ownership or interest therein shall expire fifteen (15) days after the date of the Board's receipt of such notice.

Section 3. The Association shall have the authority to elect not to exercise any option granted in this Article XIX and to give written notice of such election. A certificate executed and acknowledged by the president or secretary of the Board, certifying that the Association has elected not to exercise such option with respect to a proposed sale, conveyance, lease, devise or gift, shall be conclusive evidence of such election by the Association and of compliance with the provisions hereof by the Unit Owner proposing to make such proposed sale, conveyance, lease, devise or gift. Such certificate shall be furnished to such Unit Owner upon his compliance with the provisions hereof.

Section 4. If the Association shall make any such purchase or lease of a Unit Ownership as herein provided, the Board or its nominee shall hold the same for the benefit of the remaining Unit Owners and shall have the authority at any time thereafter to sell or sublease such Unit Ownership upon such terms as the Board shall deem advisable, and all of the net proceeds or deficit therefrom shall be applied among, or charged to, such remaining Unit Owners in proportion to their respective interests in such Unit Ownership.

Section 5. If any sale or lease of a Unit Ownership is made or attempted by any Unit Owner without complying with the foregoing provisions, such sale or lease shall be subject to each and all of the rights and options of the Association hereunder and each and all of the remedies and actions available to the Board hereunder or at law or in equity in connection therewith.

ARTICLE XX
ARCHITECTURAL RESTRICTIONS

Section 1. No construction, reconstruction, remodeling, alteration or addition to any Building or Unit in a

Building, drive, privacy wall, or improvement of any nature shall be constructed without obtaining the prior written approval of Developer as to the location, plans and specifications therefor. As a prerequisite to consideration for approval, and prior to the commencement of the contemplated work, two (2) complete sets of building plans and specifications shall be submitted. Developer shall be the sole arbiter of such plans and may withhold its approval for any reason, including purely aesthetic reasons. Upon giving approval, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans and specifications. At such time as Developer divests itself of all of the Units, the right of approval of plans for construction, reconstruction, remodeling and additions shall thereafter vest exclusively in the Associaton and in such committees of the Association as shall be appointed by the Board.

Section 2. In the location and construction of improvements upon the Land, the following additional restrictions shall be applicable:

(a) All structures must be built to comply substantially with the approved plans and specifications and before any Unit may be occupied, a certificate of completion must be issued by Developer or by the Association, as the case may be.

(b) No Building or structure or any part thereof shall be located outside the bounds of any setback lines shown on the Condominium Plan or the Plat or as required by the applicable zoning regulations of Davidson County, Tennessee. For purposes of determining compliance with this requirement, porches, wing walls, eaves and steps beyond the outside wall of a structure shall not be considered as part thereof; provided, nevertheless, that this provision shall not be construed to authorize or permit any encroachment upon any utility easements reserved on the Condominium Plan or the Plat.

(c) All Units having two stories shall contain no less than 1,100 square feet upon the ground floor, exclusive of open porches, porticoes, garages, carports and the like. One-story Units shall contain no less than 1,800 square feet.

(d) Incinerators for garbage, trash or other refuse shall not be used or permitted. All equipment, coolers and garbage cans shall be walled or otherwise suitably screened to conceal the same

from the view of neighboring units, lots, streets and open areas.

(e) The individual Units in the Buildings must be attached as shown by the Condominium Plan.

ARTICLE XXI
USE AND OCCUPANCY RESTRICTIONS

Section 1. No Unit shall be used for other than residential purposes. Each Unit shall be used as a residence for a single family, and for no other purpose, by a Unit Owner and his family, by not more than four (4) unmarried individuals of the same sex, or by a person or single family to whom a Unit Owner shall have leased his Unit. Notwithstanding the foregoing, a Unit Owner may maintain a personal professional library in his Unit, keep his personal business or professional records or accounts in his Unit, and handle his personal business or professional telephone calls or correspondence therein.

Section 2. The Common Elements shall be used only for access, ingress and egress to and from the respective Units by the occupants residing therein and their respective guests, household help and other authorized visitors, and for such other purposes which are incidental to the residential use of the respective Units; provided, however, that the common parking areas, any storage areas and other special areas shall be used for the purposes approved by the Board.

Section 3. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, nor shall anything be stored in the Common Elements without the prior consent of the Board, except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep his own Unit in good order and repair.

Section 4. Nothing shall be done or kept in any Unit or in the Common Elements which would increase the rate of insurance on the Common Elements, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Common Elements, or which would be in violation of any law. No waste shall be committed in the Common Elements.

Section 5. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Buildings, without the prior written consent of the Board. No outdoor

television antenna, radio transmission tower or receiving antenna, canopy or awning may be erected or installed on the exterior of any Unit, without the prior written consent of the Board.

Section 6. No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that dogs, cats, or other household pets may be kept in Units, subject to rules and regulations adopted by the Board; provided that they are not kept, bred, or maintained for any commercial purpose and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Board. All dogs owned by Unit Owners and kept in a Unit shall be on a leash while outside the Unit. All such dogs shall be exercised by their owners at places on the Property which do not interfere with the use and enjoyment of the same by other Unit Owners.

Section 7. No unlawful, noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants.

Section 8. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

Section 9. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such locations and in such forms as shall be determined by the Board, except as Developer is permitted under Section 10 below, and except by a mortgagee which has acquired title by foreclosure or by deed in lieu of foreclosure (with the approval of the Board, which approval shall not be unreasonably withheld).

Section 10. Until all of the Units have been sold by Developer and occupied by the purchasers, Developer may use and show one (1) or more of such unsold or unoccupied Units as a model Unit or Units and sales offices and may maintain customary signs in connection therewith. During the period of construction of the Buildings on the Land, Developer and its contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress, and egress to and from the Buildings and Property as may be required for purposes of such construction.

Section 11. No Unit Owner shall overload the electrical wiring in the Buildings, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others.

Section 12. No Unit Owner shall do any act or any work that will impair the structural soundness or integrity of the Buildings or impair any easement or hereditament.

Section 13. It is strictly prohibited to store or park a house trailer, motor home, camper, pleasure or fishing boat, motor, or trailer on or about the Property without the prior written consent of the Board, unless the same is stored or parked inside a completely enclosed carport belonging to a Unit.

Section 14. Each Unit Owner shall maintain his Unit in good order and condition, at his own expense.

Section 15. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in a clean and sanitary manner as prescribed in the rules and regulations of the Board.

Section 16. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys and other articles, shall not be stored or kept in the common areas.

Section 17. Invalidation of any one (1) or more of the covenants and restrictions or other provisions herein or hereafter contained by judgment or court order shall in no way affect any of the other covenants and restrictions herein or hereafter contained, which shall remain in full force and effect.

Section 18. Each Unit Owner shall comply with the provisions and requirements of this Master Deed, including the administrative By-Laws attached hereto, the decisions and resolutions of the Association and of the Board, and with reasonable rules and regulations adopted from time to time by the Board for the common comfort, safety, convenience, and protection of the Unit Owners in their use and enjoyment of their Units and of the Common Elements and adopted for the orderly administration of the condominium project and of the condominium Buildings and with all amendments thereof. Without in any manner intending to limit the generality of the foregoing, the Board shall have the right but not the obligation to promulgate rules and regulations limiting the use of the Common Elements to Unit Owners and their respective families, guests, invitees and servants, as well as to provide

for the exclusive temporary use by a Unit Owner and his guests, for specific occasions, of such facilities. Such use may be conditioned upon, among other things, the payment by the Unit Owner of such assessment as may be established by the Board for the purpose of defraying the costs thereof.

ARTICLE XXII
REMEDIES FOR DEFAULT AND FOR BREACH OF COVENANTS, RESTRICTIONS, RULES AND REGULATIONS

Section 1. In the event of any default by any Unit Owner under the provisions of the Act, Master Deed, By-Laws or rules and regulations of the Board, the Board or its agents shall have each and all of the rights and remedies which may be provided for in the Act, Master Deed, By-Laws or said rules and regulations or which may be available at law or in equity and may prosecute any action or other proceedings against such defaulting Unit Owner and/or others for the enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as hereinafter in this Article XXII provided, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and reasonable attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest effective rate allowed by law until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for non-payment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto. In the event of any such default by any Unit Owner, the Board or the manager or managing agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

Section 2. If any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Master Deed, the By-Laws, or the rules and

regulations adopted by the Board, and such violation shall not be cured within thirty (30) days after notice in writing from the Board, or shall re-occur more than once thereafter, then the Board shall have the power to issue to said defaulting Unit Owner a ten-day notice in writing to terminate the rights of said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Unit Owner for a decree of mandatory injunction against said defaulting Unit Owner or occupant or, in the alternative, for a decree declaring the termination of said defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Unit Owner in his Unit and the Common Elements shall be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Unit Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed and the By-Laws.

ARTICLE XXIII
AMENDMENT

Section 1. As long as Developer is the owner of a Unit, Developer shall have the right to amend the provisions of this Master Deed, including, but not limited to, the Condominium Plan attached hereto as Exhibit "C"; provided, however, that no such amendment shall affect the rights of any beneficiary of any deed of trust or mortgage encumbering an individual Unit or Units.

Section 2. Once Developer no longer owns a Unit, the provisions of this Master Deed may be changed, modified or rescinded by an instrument in writing setting forth such

change, modification or rescission, signed by Unit Owners having at least three-fourths (3/4) of the total vote, and certified by the secretary of the Board; provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by said secretary certifying to such mailing is a part of such instrument.

Section 3. Notwithstanding the provisions of the foregoing Sections 1 and 2, if the Act, or this Master Deed, or the By-Laws, requires the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Master Deed, then any instrument changing, modifying or rescinding any provisions of this Master Deed with respect to such action shall be signed by all the Unit Owners or all lien holders or both as required by the Act, or by this Master Deed, or by the By-Laws.

Section 4. The change, modification or rescission, whether accomplished under Section 1, Section 2 or Section 3 above, shall be effective upon recordation of such instrument in the Register's Office for Davidson County, Tennessee; provided, however, that no provision in this Master Deed may be changed, modified or rescinded so as to conflict with the provisions of the Act.

ARTICLE XXIV
NOTICE

Section 1. Notices provided for in the Act, Master Deed or By-Laws shall be in writing, and shall be addressed to the Board, or any Unit Owner, as the case may be, at 2309 Crestmoor Road, Nashville, Tennessee 37215 (indicating thereon the number of the respective Unit if addressed to a Unit Owner), or at such other address as hereinafter provided. The Board may designate a different address for notices to it by giving written notice of such change of address to all Unit Owners at such time. Any Unit Owner may also designate a different address or addresses for notices to him by giving written notice of his change of address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof.

Section 2. Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Master Deed to be given to the Unit Owner or Owners whose Unit is subject to such mortgage or trust deed.

ARTICLE XXV
SEVERABILITY

If any provision of the Master Deed or By-Laws or any section, sentence, clause, phrase or word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of the Master Deed and By-Laws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

ARTICLE XXVI
PERPETUITIES AND OTHER RULES OF PROPERTY

If any of the options, privileges, covenants or rights created by this Master Deed would otherwise violate (a) the rule against perpetuities or some analogous statutory provision or (b) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the incumbent Governor of the State of Tennessee and of the incumbent President of the United States.

ARTICLE XXVII
RIGHTS AND OBLIGATIONS

Each grantee of Developer or Williams, as applicable, by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Master Deed, and all rights, benefits, and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any Person having at any time any interest or estate in the Property, and shall inure to the benefit of such Person in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the rights described in this Article XXVII or described in any other part of this Master Deed or the By-Laws shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such Unit

Ownerships as fully and completely as though such rights were recited fully and set forth in their entirety in such documents.

ARTICLE XXVIII
TERMINATION OF HORIZONTAL PROPERTY REGIME

Section 1. All of the Co-Owners constituted into this horizontal property regime may by deed waive this regime and regroup or merge the records of the filial estates with the principal Property; provided that the filial estates are unencumbered or, if encumbered, that the creditors in whose behalf the encumbrances are recorded accept as security the undivided portions of the Property owned by the debtors.

Section 2. The merger provided for in the preceding section shall in no way bar the subsequent constitution of the Property into another horizontal property regime whenever so desired and upon observance of the provisions of the Act.

Section 3. Alternatively, the horizontal property regime herein created may be terminated at any time and in such manner and upon such terms as are mutually agreeable by the unanimous agreement, consent, and act, expressed in writing and duly acknowledged and recorded, of all Unit Owners and of all mortgagees who have liens upon Units.

ARTICLE XXIX
ENCLOSURE OF OPEN AREAS

Section 1. Developer reserves the right, so long as it owns any Unit in the Property or any interest therein, and thereafter the Association shall have the right, to inspect and approve any plans for the enclosure of any open areas shown on the Condominium Plan which are clearly delineated for independent use adjacent to and in connection with the use of any individual Unit. All such plans must be submitted by the Unit Owner to Developer or the Association, as the case may be, for approval prior to commencement of any such work; provided, however, that no plan shall be approved for any such enclosure which may alter or otherwise affect the normal drainage of water in the Property.

Section 2. The upkeep of such open areas shall be part of the common expenses until such time as the Unit Owner shall enclose the open area shown on the Condominium Plan which is clearly delineated for independent use adjacent to and in connection with the use of his Unit. In such event, the upkeep

of such enclosed area shall then be the sole responsibility of the particular Unit Owner, but such Unit Owner may elect to have the Board continue to provide such upkeep and the Unit Owner shall reimburse the Board for the necessary expenses thereof.

ARTICLE XXX
RESERVATION OF RIGHT TO DEVELOP PROJECT IN PHASES

Section 1. Notwithstanding anything to the contrary contained herein, Developer hereby reserves the right to and may construct the Buildings constituting or comprising the condominium Units, except Unit 1, in separate phases.

Section 2. In furtherance of the foregoing, Developer may record amended plats of SQUARE ACRES in the Register's Office for Davidson County, Tennessee, at any time that Developer is the owner of record of a Unit, without the joinder of the Unit Owners, in such manner as to reflect the development of the condominium project in separate phases.

Section 3. The provisions of this Master Deed shall apply to each phase as the same may be completed without any amendment hereto. Upon completion of construction of the separate phases aforesaid, the separate phases shall automatically merge and shall thereafter constitute a single development known as SQUARE ACRES.

ARTICLE XXXI
GENERAL PROVISIONS

Section 1. Until such time as the Board provided for in this Master Deed is formed, Developer shall exercise any of the powers, rights, duties and functions of the Board.

Section 2. The Board shall have the power and authority to bid and purchase any Unit, for and on behalf of the Associaton, at a sale pursuant to a deed of trust or mortgage foreclosure, a foreclosure of the lien for common expenses, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of Unit Owners having at least three-fourths (3/4) of the total vote. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid and pay for said Unit. The Board shall have the authority to make such mortgage arrangements and special assessments proportionately among the respective Unit Owners, and other such financing arrangements as the Board may

deem desirable, in order to close and consummate the purchase or lease of a Unit by the Association. However, no such financing arrangement may be secured by an encumbrance on any interest in the Property other than the Unit to be purchased or leased and the percentage interest in the Common Elements appurtenant thereto.

Section 3. No covenants, restrictions, conditions, obligations or provisions contained in this Master Deed 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 which may occur.

Section 4. The provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class condominium.

Section 5. In the event title to any Unit Ownership is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for the payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Master Deed against such Unit Ownership. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit Ownership.

Section 6. In the event of a taking in condemnation or by eminent domain of a part of the Common Elements, the award made for such taking shall be payable to the Board for and on behalf of the Association and all mortgagees affected. If a majority of the Board in its discretion, with written consent of a majority of the mortgagees affected, approves the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board and the mortgagees do not approve the repair and commence restoration of such Common Elements within one hundred twenty (120) days after taking by the public or private authority, the Board shall disburse the net proceeds of such award on the basis of the percentages of ownership in the Common Elements to

the Unit Owners and the mortgagees as their respective interests may appear.

Section 7. The Unit Owners' right of enjoyment of the Common Elements shall be subject to:

(a) the right of the Association, as provided in the By-Laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid and for such period as it considers appropriate for any infraction of its published rules and regulations;

(b) the right of the Association to charge reasonable fees for the use of the parts of the Common Elements;

(c) the right of the Association to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed upon by the members entitled to vote thereon, provided that no such dedication or transfer shall be effective unless Unit Owners having at least three-fourths (3/4) of the total vote have agreed to such dedication or transfer; and

(d) the right of the Association to grant such easements and rights-of-way to such utility companies or public agencies or authorities as it shall deem necessary for the proper servicing and maintenance of the Common Elements and the individual Units.

Section 8. The rights and duties of the owners of condominium Units within this condominium project with respect to party walls shall be governed by the following:

(a) Each wall, which is constructed as a part of the original construction of a Building, any part of which is placed on the dividing line between separate Units, shall constitute a party wall. With respect to any such wall, each of the adjoining Unit Owners shall assume the burdens and be entitled to the benefits of these restrictive covenants, and to the extent not inconsistent herewith, the general rules of law regarding party walls shall be applied thereto.

(b) In the event any such party wall is damaged or destroyed through the act of one adjoining Unit Owner or any of his guests or agents or members of his family (whether or not such act is negligent

or otherwise culpable) so as to deprive the other adjoining Unit Owner of the full use and enjoyment of such wall, then the first of such Unit Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly without cost to the adjoining Unit Owner.

(c) In the event any such party wall is damaged or destroyed by some cause other than the act of one of the adjoining Unit Owners, his agents, guests, or family (including ordinary wear and tear and deterioration from lapse of time), then and in such event, both such adjoining Unit Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly at their joint and equal expense.

(d) In addition to meeting the other requirements of these restrictive covenants and of any building code or similar regulations or ordinances, any Unit Owner proposing to modify, make additions to, or rebuild his condominium Unit in any manner which requires the extension or other alteration of any party wall, shall first obtain the written consent of the adjoining Unit Owner.

(e) In the event of a dispute between Unit Owners with respect to the repair or rebuilding of a party wall or with respect to the sharing of the cost thereof, then upon written request of one of such Unit Owners, the matter shall be submitted to three (3) arbitrators, one chosen by each of the Unit Owners and the third by the two (2) so chosen, or if the two (2) arbitrators cannot agree as to the selection of the third arbitrator within five (5) days, then by any Chancellor of the Chancery Court of Davidson County, Tennessee. A determination of the matter signed by any two (2) of the three (3) arbitrators shall be binding upon the Unit Owners, who shall share the cost of arbitration equally. In the event either party fails to choose an arbitrator within ten (10) days after receipt of a request in writing for arbitration from the other party, then said other party shall have the right and power to choose both arbitrators.

(f) These covenants shall be binding upon the successors, heirs and assigns of any Unit Owners, but no person shall be liable for any act or omission respecting any party wall except such as took place while a Unit Owner.

Section 9. By the acceptance of a deed, each Unit Owner appoints Developer as attorney-in-fact to execute any and all documents necessary or desirable to cause the provisions of this Master Deed to comply with the Act, as the same now exists or may hereafter be amended. Developer reserves the right to appoint a substitute attorney-in-fact at any time and from time to time without assigning cause and any such substitute attorney-in-fact shall succeed to all the rights and powers of his predecessor.

Section 10. In the event of any conflict between the provisions of the Master Deed and the Act, the provisions of the Act shall control.

Section 11. Williams joins in this Master Deed to acknowledge the same, to consent hereto, and to declare her interest in the property described in Exhibit "B" hereto and the improvements thereon subject to this Master Deed.

Section 12. Commerce Union Bank, beneficiary under a certain Deed of Trust of record in Book 6278, page 617, Register's Office for Davidson County, Tennessee, joins in this Master Deed to acknowledge the same, to consent hereto, and to declare its interest under said Deed of Trust subject to this Master Deed, and to covenant and agree that upon the release of a Unit from the lien of said Deed of Trust, the percentage of ownership in the Common Elements incident and appurtenant to said Unit shall also be released from the lien of said Deed of Trust.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed this 3rd day of October, 1984.

ESTES-TAYLOR COMPANY

By: J. Frank Estes
Title: President

Bobbie Alma Williams
Bobbie Alma Williams

COMMERCE UNION BANK

By: Patricia J. Morton
Title: Vice President

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Lori C. Warner, a Notary Public of the State and County aforesaid, personally appeared J. Frank Estes, with whom I am personally acquainted (or proven to me upon the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be President of Estes-Taylor Company, the within named bargainor, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

WITNESS my hand and seal, at office in Nashville, Davidson County, Tennessee, this 3rd day of October, 1984.

Lori C. Warner
Notary Public

My Commission Expires: 1-Feb-88

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, Lori C. Warner, a Notary Public in and for said County and State, the within named Bobbie Alma Williams, the bargainor, with whom I am personally acquainted (or proven to me upon the basis of satisfactory evidence), and who acknowledged that she executed the within instrument for the purposes therein contained.

WITNESS my hand and official seal at Nashville, Davidson County, Tennessee, this 3rd day of October, 1984.

Lori C. Warner
Notary Public

My Commission Expires: 1-Feb-88

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Donna Potts, a Notary Public of the State and County aforesaid, personally appeared Patricia Morton, with whom I am personally acquainted (or proven to me upon the basis of satisfactory evidence), and who, upon oath, acknowledged her self to be Vice President of Commerce Union Bank, the within named bargainor, a Tennessee banking corporation, and that she as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Vice President

WITNESS my hand and seal, at office in Nashville, Davidson County, Tennessee, this 4th day of December, 1984.

Donna Potts
Notary Public

My Commission Expires: 7/27/88

EXHIBIT "A"

LAND in the First Civil District of Davidson County, Tennessee, being Lots Nos. 2, 3, 4, 5, 6 and 7 on the Plan of Square Acres, as of record in Book 5800, page 122, Register's Office for Davidson County, Tennessee, described as follows:

BEGINNING at a point in the northerly margin of Castleman Drive, said point being the southwest right of way return at the intersection of said Castleman Drive and Belmont Park Terrace; thence, along the northerly margin of said Castleman Drive, South 87° 58' 04" West 6.57 feet to an iron pin; thence continuing along the same with a curve to the right having a radius of 960.21 feet, a distance of 260.06 feet to an iron pin; thence continuing with same, North 76° 30' 53" West 155.59 feet to an iron pin; thence North 06° 14' 16" East 211.15 feet to an iron pin; thence North 06° 54' 26" East 115.55 feet to a concrete monument; thence South 83° 35' 34" East 111.30 feet to an iron pin; thence South 82° 31' 38" East 334.58 feet to a concrete monument in the westerly margin of Belmont Terrace; thence with the westerly margin of said Belmont Terrace South 06° 51' 51" West 307.54 feet to an iron pin; thence with a curve to the right having a radius of 27.69 feet a distance of 39.19 feet to the point of beginning.

INCLUDED in the above-described property but EXCLUDED therefrom is Lot No. 1 on the Plan of Square Acres as of record in Book 5800, page 122, Register's Office for Davidson County, Tennessee, described as follows:

BEGINNING at a point in the northerly margin of Castleman Drive, said point being the common corner of Lots Nos. 5 and 6; thence with the boundary line between said Lots, North 13° 29' 07" East 111.42 feet to an iron pin being the point of beginning; thence South 82° 31' 38" East 200.50 feet to an iron pin; thence North 67° 57' 25" East 79.12 feet to an iron pin; thence North 38° 45' 16" West 109.89 feet to an iron pin; thence North 82° 31' 38" West 190.00 feet to an iron pin; thence South 07° 28' 22" West 115.00 feet to the point of beginning.

BEING the same property conveyed to Estes-Taylor Company, a Tennessee corporation, by deed from Square Acres Corp., a Tennessee corporation, of record in Book 6205, page 923, Register's Office for Davidson County, Tennessee.

EXHIBIT "B"

LAND in the First Civil District of Davidson County, Tennessee, being Lot No. 1 on the Plan of Square Acres, as of record in Book 5800, page 122, Register's Office for Davidson County, Tennessee, described as follows:

BEGINNING at a point in the northerly margin of Castleman Drive, said point being the common corner of Lots Nos. 5 and 6; thence with the boundary line between said Lots, North 13° 29' 07" East 111.42 feet to an iron pin being the point of beginning; thence South 82° 31' 38" East 200.50 feet to an iron pin; thence North 67° 57' 25" East 79.12 feet to an iron pin; thence North 38° 45' 16" West 109.89 feet to an iron pin; thence North 82° 31' 38" West 190.00 feet to an iron pin; thence South 07° 28' 22" West 115.00 feet to the point of beginning.

BEING a part of the same property conveyed to Bobbie Alma Williams by deed from Neil Hunt and wife, Carrie S. Hunt, of record in Book 2643, page 571, Register's Office for Davidson County, Tennessee.

BOOK 6494 PAGE 78

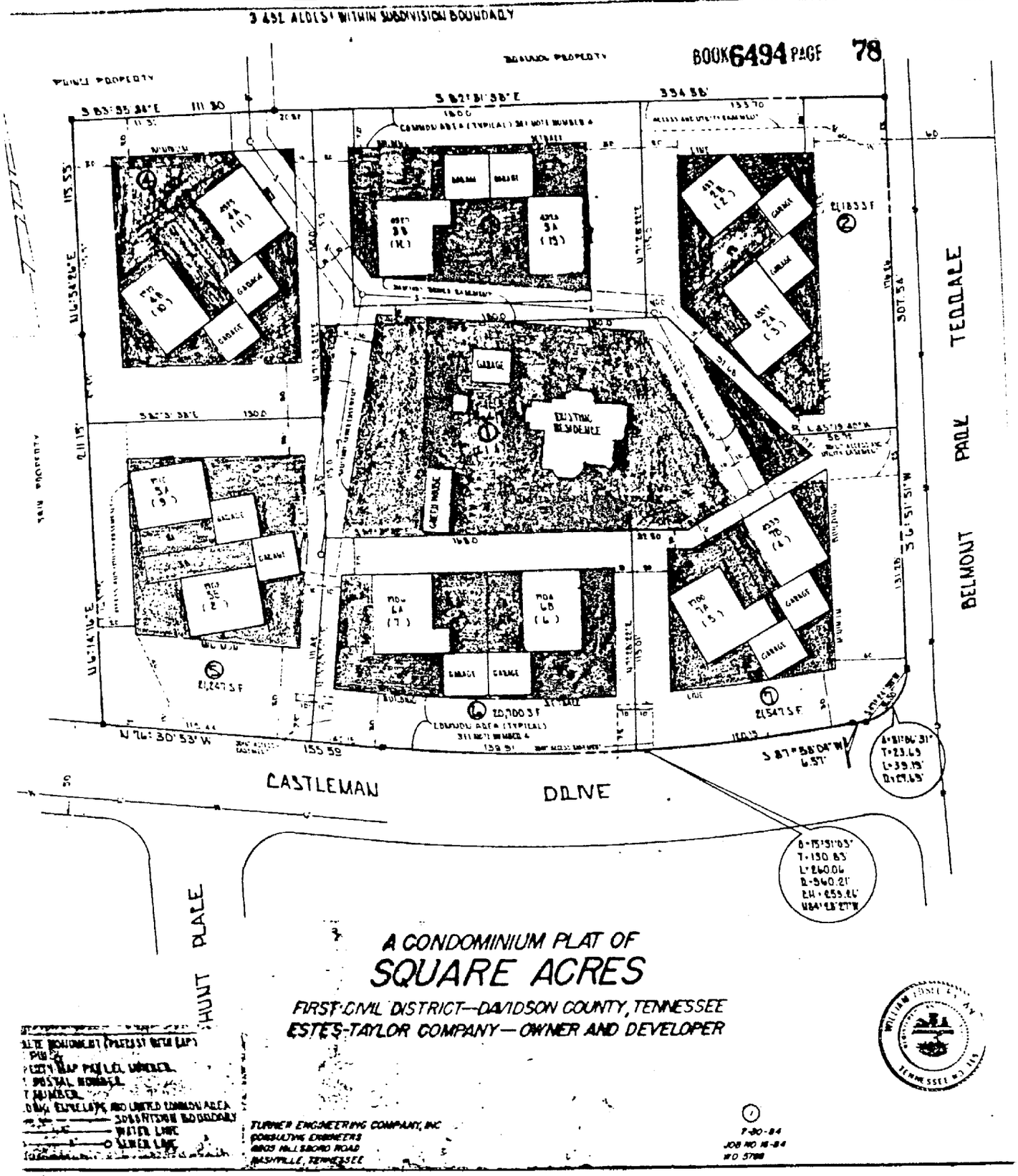


EXHIBIT D

BY-LAWS

OF

THE ASSOCIATION OF OWNERS OF

SQUARE ACRES

ARTICLE I

OFFICE

The principal office of the Association shall be maintained at 2309 Crestmoor, Nashville, Tennessee 37215.

ARTICLE II

ASSOCIATION OF UNIT OWNERS

Section 1. The members of the Association of Unit Owners of Square Acres shall consist of the Unit Owners of Square Acres, a condominium project located at the corner of Castleman Drive and Belmont Park Terrace in Nashville, Davidson County, Tennessee. The terms used in these By-Laws shall have the same meanings as in the Master Deed for Square Acres, as recorded in the Office of the Register of Deeds of Davidson County, Tennessee. The words "member" or "members," as used in these By-Laws, shall mean and refer to the "Unit Owner" or "Unit Owners," as the case may be, as defined in the Master Deed.

Section 2. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to) as a "voting member." Such voting member may be the Unit Owner or one of the group composed of all the Unit Owners of a Unit Ownership, or may be 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. Such designation shall be in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors of the death or judicially declared incompetence of any designator, or by written notice to said Board of Directors by the Unit Owner or Owners. Any or all such Unit Owners may be present at any meeting of the voting members and (those constituting a group acting unanimously) may vote to take any other action as a voting member either in person or by proxy. The total number of votes of all voting members shall be thirteen (13), and each Unit Owner or group of Unit Owners of a

Unit shall be entitled to one (1) vote. Developer shall be the voting member with respect to any Unit Ownership owned by Developer in the condominium project. If a Unit Owner is a trust, then the member of the Association shall be a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, the member of the Association may be an officer, partner or employee of such Unit Owner or beneficiary. The membership of each Unit Owner shall terminate when he ceases to be a Unit Owner, and upon the sale, transfer or other disposition of his Unit Ownership, his membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such Unit Ownership.

Section 3. Meetings of the voting members shall be held at the principal office or at such other place in Davidson County as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein or in the Master Deed, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such meeting.

Section 4. The initial meeting of the voting members (the "First Meeting") may be held, subject to the terms hereof, on any date, at the option of the Board, provided, however that the First Meeting shall be held no later than one hundred twenty (120) days after Developer has sold and delivered deeds for all Units (excluding Unit 1). Thereafter, each succeeding year there shall be an annual meeting of the voting members within fifteen (15) days of the anniversary of the initial meeting. All such annual meetings of the voting members shall be held on such date and at such time as may be designated by written notice of the Board of Directors delivered to the voting members not less than ten (10) days prior to the date fixed for said meeting.

Section 5. Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of the Master Deed, require the approval of all or some of the voting members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Board of Directors, or by the voting members having one-fourth (1/4) of the total votes, and delivered not less than ten (10) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

Section 6. Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote at such meetings, addressed to each such person at the address given by him to the Board of Directors for the purpose of service of such notice, or to the Unit or the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board of Directors.

Section 7. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the members present, whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 8. No Unit Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote until he has cured such default. A Unit Owner shall be deemed to be in default if he has not paid his assessments to the Board or its agent within fifteen (15) days after receipt of notices of assessment.

ARTICLE III

BOARD OF DIRECTORS

Section 1. The direction and administration of the condominium project shall be vested in a Board of Directors which shall constitute the "board of administration" described in the Tennessee Horizontal Property Act and which shall hereinafter be referred to as the "Board," consisting of three (3) persons who shall be elected in the manner hereinafter provided. Except for members of the First Board (as hereinafter defined), each member of the Board shall be one of the Unit Owners or a spouse of a Unit Owner; provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

Section 2. Members of the Board shall be elected at the annual meeting of the Association members by the vote of Unit Owners, except that until such time as the initial meeting of members is held, members of the Board (hereinafter called "members of the First Board") shall be appointed by Developer.

In all elections for members of the Board, the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. A majority of the total number of members on the Board shall constitute a quorum, and the acts of a majority of the Board members present at a Board meeting at which a quorum is present shall be the acts of the Board. Every member of the Board, except for members of the First Board, shall hold office for a term of one (1) year and until his or her successor shall have been elected and qualified. Vacancies in the Board shall be filled by election by the voting members present at the next annual meeting or at a special meeting of the voting members called for such purpose. Any director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the director whom he succeeds. Except as otherwise provided in the By-Laws, the condominium project shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

Section 3. The Board shall elect from among its members a president who shall preside over both its meetings and those of the voting members, and who shall be the chief executive officer of the Board, a secretary who shall keep the minutes of all meetings of the Board and of the voting members and who shall, in general, perform all the duties incident to the office of secretary, and a treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect.

Section 4. Any Board member may be removed from office with or without cause by the affirmative vote of the voting members having at least three-fifths (3/5) of the total votes, at any special meeting called for that purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

Section 5. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the president or any vice president, countersigned by the secretary or any assistant secretary of the Board.

Section 6. The Board shall have the following additional powers and duties:

(a) To administer the affairs of the Association and the condominium project.

(b) To engage the services of a manager or managing agent who shall manage and operate the condominium project for all the Unit Owners upon such terms and with such authority as the Board may approve.

(c) To formulate policies for the administration, management and operation of the condominium project.

(d) To adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, maintenance, operation, use, conservation and beautification of the condominium project and for the health, comfort, safety and general welfare of the Unit Owners, and to amend such rules and regulations from time to time.

(e) To provide for and maintain the insurance coverage called for in the Master Deed.

(f) To provide for any construction, alteration, installation, maintenance, repair, painting and replacement for which the Board is responsible under the Master Deed and By-Laws and for such purposes to enter and to authorize entry into any Unit and/or Limited Common Elements, causing as little inconvenience to the Unit Owners as practicable and repairing any damage caused by any such entry at the expense of the maintenance fund.

(g) To provide for the designation, hiring and removal of employees and other personnel, including attorneys and accountants, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the condominium project and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent).

(h) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective

shares of such estimated expenses as hereinafter provided.

(i) To pay out of the maintenance fund hereinafter provided for, the following:

(i) Water, waste removal, electricity and telephone and other necessary utility services for the Common Elements.

(ii) The services of a manager or managing agent or any other person or firm employed by the Board.

(iii) Payment for the maintenance, repair and replacement of the Common Elements.

(j) To bid for and purchase any Unit Ownership at a sale pursuant to a mortgage or trust deed foreclosure, or a foreclosure of the lien for common expenses under the Master Deed, or at a sale pursuant to an order or direction of a court, or other involuntary sale, or to exercise any right of first refusal contained in the Master Deed, upon the consent or approval of Unit Owners having at least three-fourths (3/4) of the total vote.

(k) To comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners.

(l) To exercise all other powers and duties of the Board of Directors of the Association as a group referred to in the Master Deed, these By-Laws or the Horizontal Property Act of the State of Tennessee.

(m) To make such reasonable rules and regulations from time to time as they in their discretion, may determine in order to curtail unreasonable parking, abandonment of vehicles, storage of vehicles, prohibiting trucks and other abuses of like nature.

(n) From time to time, to assign the use of particular automobile parking spaces and storage areas for the benefit of Unit Owners. Such assigned spaces and areas shall be made on a reasonable basis as may be designated by the

Board. Nothing herein contained shall be construed to establish a contractual relationship between the Unit Owner and the Board or the Association pertaining to the use of a particular parking space or storage area.

(o) To establish or adopt a fiscal year for the Association.

(p) To provide for the incorporation of the Association as a non-profit corporation, if deemed advisable by the Board.

ARTICLE IV

ASSESSMENTS

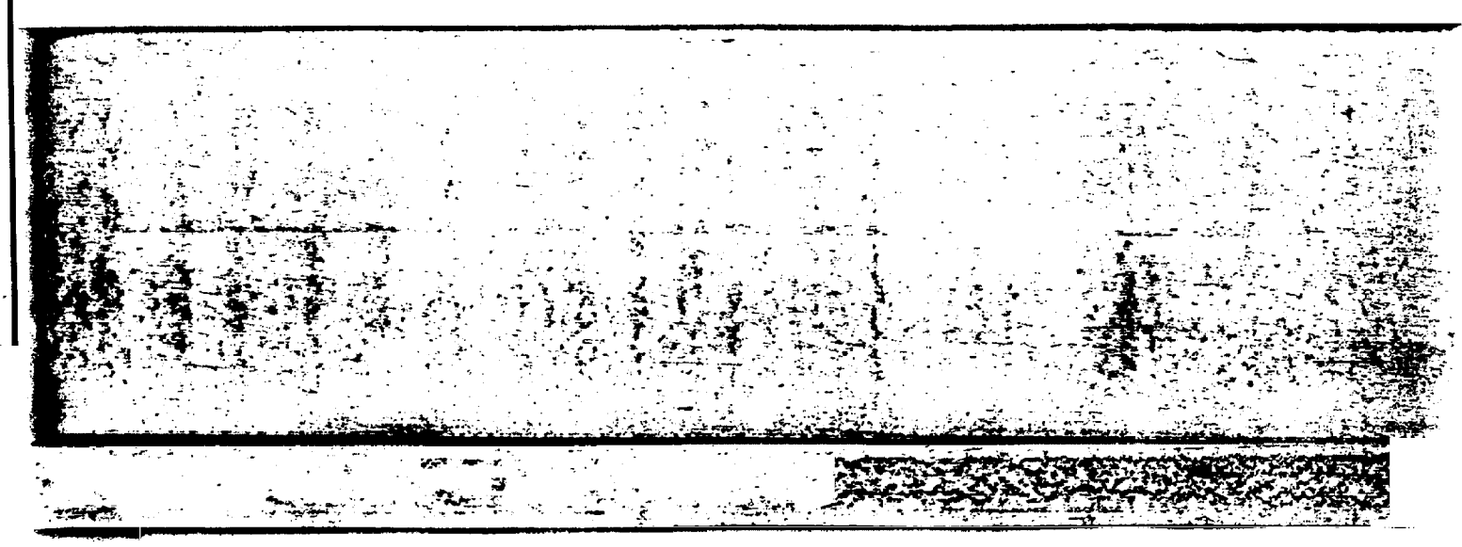
Section 1. Each year on or before the first day of the last month of the Association's fiscal year, the Board shall estimate the total amount necessary to pay the cost of salaries, wages, professional fees, materials, insurance, services and supplies, and other common expenses which will be required during the ensuing fiscal year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and for the periodic maintenance and repair and replacement of Common Elements and shall on or before fifteen (15) days thereafter notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof. The annual budget shall also take into account the estimated net available cash income for the fiscal year from the operation or use of the Common Elements. For the first fiscal year, such estimate shall be prepared as soon as practicable after the election of the Board. Said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in the Master Deed. On or before the first day of the first month of the ensuing fiscal year, and the first of each and every succeeding month of said year, each Unit Owner shall be obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this section. On or before the date of the annual meeting of each fiscal year, the Board shall supply to all Unit Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership in the

Common Elements to the next monthly installments due from Unit Owners under the current fiscal year's estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding three (3) months after rendering of the accounting.

Section 2. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the fiscal year shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any Unit Owners' assessment, the Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage ownership in the Common Elements. The Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the next monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount.

Section 3. If the first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of acquisition of his Unit, each Unit Owner shall pay his assessment for the following month or fraction thereof, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget.

Section 4. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owners shall not constitute a waiver or release in any manner of the Unit Owners' obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owners shall continue to pay the monthly maintenance charge at the then existing monthly rates established for the previous period until the next monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.



Section 5. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection by any Unit Owner or his representative, duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

Section 6. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the highest effective rate allowed by applicable law, and all costs in collecting the same, including reasonable attorney's fees, shall constitute a lien against the Unit Ownership of such Unit Owner in the condominium project, as set forth in the Master Deed; provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on such Unit, except for the amount of such common expenses which become due and payable from and after the date on which such first mortgagee acquires title to the Unit by foreclosure or sale pursuant to its mortgage or trust deed or by deed in lieu of foreclosure. The Board shall have the right to enforce the lien as provided in the Master Deed or to institute suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with interest as herein provided and reasonable attorney's fees to be fixed by the court. Notwithstanding the foregoing, the Board or the Association shall have the authority to exercise and enforce any and all rights and remedies provided in the Tennessee Horizontal Property Act, the Master Deed or these By-Laws, or otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 7. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Unit Ownership. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including reasonable attorney's fees, incurred by reason of such lien.

Section 8. All funds collected hereunder shall be held and expended for the purposes designated herein and, except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments, shall be deemed to be held for the benefit, use and account of all the Unit Owners in proportion to their percentage interests in the Common Elements set forth in the Master Deed.

Section 9. No Unit Owner may exempt himself from liability for the assessments provided for herein by waiver of the use or enjoyment of the Common Elements, by abandonment of his Unit, or by any other means.

ARTICLE V

CONTRACTUAL POWERS

No contract or other transaction between the Association and one or more of its directors or between the Association and any corporation, firm or other entity in which one or more of the directors of the Association are directors or are financially interested shall be void or voidable because such director or directors were present at the meeting of the Board which authorized or approved the contract or transaction or because his or their votes were counted, if (a) the fact of the common directorship or financial interest is disclosed or known to the Board and noted in the minutes and the Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such director or directors or (b) the contract or transaction is just and reasonable as to the Association at the time it is authorized or approved. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes, approves or ratifies a contract or transaction.

ARTICLE VI

AMENDMENTS

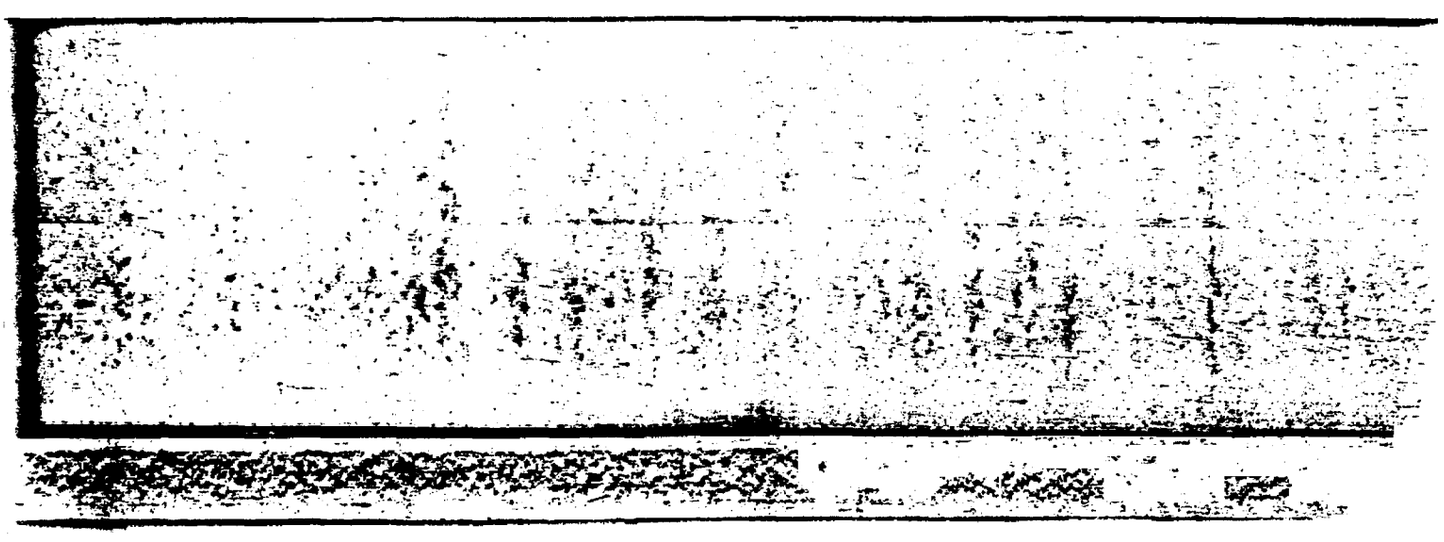
These By-Laws may be amended or modified from time to time by action or approval of the voting members having at least three-fourths (3/4) of the total votes; provided, however, that no provision in these By-Laws may be amended or modified so as to conflict with the provisions of the Tennessee Horizontal Property Act. Such amendments shall be recorded in the Register's Office for Davidson County, Tennessee.

ARTICLE VII

INDEMNIFICATION

Section 1. Any person who is made a party to a suit or proceeding by or in the right of the Association to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a director or officer of the Association, may be indemnified by the Association in accordance with Section 2 hereof against judgments, amounts paid in settlement and reasonable expenses, including attorney's fees, actually and necessarily incurred as a result of such suit or proceeding, or any appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached his duty to the Association to act in good faith and with that degree of diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions. Any person made or threatened to be made a party to a suit or proceeding other than by or in the right of the Association to procure a judgment in its favor, whether civil or criminal, by reason of the fact that he, his testator or intestate, is or was a director or officer of the Association, may be indemnified by the Association in accordance with Section 2 hereof against judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees, actually and necessarily incurred as a result of such suit or proceeding, or any appeal therein, if such director or officer acted in good faith for a purpose which he reasonably believed to be in the best interest of the Association and, in addition, in criminal actions or proceedings, had no reasonable cause to believe that his conduct was unlawful. The termination of any such civil or criminal action, suit or proceeding by judgment, settlement (with or without court approval), or conviction, or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such director or officer did not act in good faith for a purpose which he reasonably believed to be in the best interest of the Association or that he had reasonable cause to believe that his conduct was unlawful.

Section 2. Any person referred to in Section 1 hereof who has been wholly successful, on the merits or otherwise, in the defense of any civil or criminal action, suit or proceeding of the character described in Section 1 hereof shall be entitled to indemnification as of right without any further action or approval by the Board. Except as provided in the immediately preceding sentence, any indemnification under Section 1 next above shall be made at the discretion of the Association, but only if (a) the Board, acting by majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, present or voting, shall find



that the director or officer has met the applicable standard of conduct set forth in Section 1 hereof, or (b) if no such quorum of the Board is obtainable with due diligence, (i) independent legal counsel shall deliver to the Association their written opinion that indemnification is proper in the circumstances because such director or officer has met such standard or (ii) the Association members then entitled to vote for the election of directors shall determine by majority vote that such director or officer has met such standard.

Notwithstanding the foregoing, no person referred to in Section 1 hereof who has been made a party to any action, suit or proceeding of the character described in Section 1 hereof shall be entitled to indemnification with respect to any claim, issue or matter as to which such person, his testator or intestate, shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and except to the extent that the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 3. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, only if authorized in the specific case (a) by the Board acting by majority vote of a quorum consisting of directors who are not parties to such action, suit or proceeding upon a finding that the director or officer has met the applicable standard of conduct set forth in Section 1 hereof, or (b) if no such quorum of the Board is obtainable with due diligence, (i) upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because such director or officer has met such standard or (ii) by majority vote of the Association members then entitled to vote for the election of directors upon a finding that the director or officer has met such standard, provided that the Association shall have received an undertaking by or on behalf of the person receiving such advancement to repay such amount if he is ultimately found not to be entitled to indemnification or, where indemnification is granted, such portion of the amount so advanced by the Association or allowed by the court in excess of the indemnification to which he is entitled.

Section 4. The rights of indemnification provided in this Article VII shall be in addition to any rights to which any such director, officer or other person may otherwise be entitled under any by-law, agreement, vote of Association

members, or otherwise, and shall be in addition to the power of the Association to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, regardless of whether the Association would have the power to indemnify him against such liability under this Article VII or otherwise.

Section 5. If any expenses or other amounts are paid by way of indemnification otherwise than by court order, by action of the Association members, or by an insurance carrier pursuant to insurance maintained by the Association, the Association shall, not later than the next annual meeting of Association members unless such meeting is held within three (3) months from the date of such payment, and, in any event, with fifteen (15) months from the date of such payment, mail to the Association members at the time entitled to vote for the election of directors a statement specifying the persons paid, the amounts paid, and the nature and status of the litigation or threatened litigation at the time of such payment.

Section 6. The indemnification provided for in this Article VII shall be a common expense, assessable to the Unit Owners in accordance with their percentage interests in the Common Elements set forth in the Master Deed.

ARTICLE VIII

MORTGAGES

Section 1. A Unit Owner who mortgages his Unit shall notify the Board of the name and address of his mortgagee and shall file a conformed copy of the note and deed of trust or mortgage with the Board; and the Board shall maintain such information in a book entitled "Mortgages of Units."

Section 2. The Board, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid common charges due from, or any other default by, the owner of the mortgaged Unit.

Section 3. The Board, 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.

Section 4. The Board shall make available for inspection, on request during normal business hours, to Unit

Owners, the holders of mortgages and deeds of trust on Units, and the insurors and guarantors of any first mortgage or deed of trust, copies of the Master Deed, By-Laws, Rules and Regulations of the property, and the books, records and financial statements of the Association.

ARTICLE IX

CONFLICTS

In the event of any conflict between the provisions of these By-Laws and the provisions of the Tennessee Horizontal Property Act or the Master Deed, the provisions of said Tennessee Horizontal Property Act or the Master Deed, as the case may be, shall control.

(END OF BY-LAWS)