PREPARED BY: Wilkins & Ivey, Attorneys, 2210 Crestmoor Road, Nashville, TN 37215

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR WINDEMERE (PHASE 1) A PLANNED UNIT DEVELOPMENT

BOOK 6958 PAGE 576

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter sometimes referred to as "Declaration") executed this 25 day of AUGUST, 1986, by Hobbs Corporation, a Tennessee corporation;

WITNESSETH:

WHEREAS, Developer is the owner of certain real estate in the County of Davidson, State of Tennesse, as shown upon the Plan for Windemere, of record in Book 6900, Page 45, Register's Office for Davidson County, Tennessee, (said real estate being referred to herein as "Windemere" or the "Properties"), described in Exhibit "A" hereto; and

WHEREAS, Developer desires to provide for the protection and preservation of the values, amenities, desirability and attractiveness of Windemere; and

WHEREAS, the Developer desires to establish and provide for a system of administration and continual operation and maintenance of the common use facilities of Windemere and as hereinafter described; and

WHEREAS, Developer further desires to establish for Developer's benefit and for the mutual benefit and advantage of all future owners and occupants of Windemere, or any portion thereof, certain rights, easements, privileges, obligations, restrictions, covenants, liens, assessments and regulations governing the use and occupancy of Windemere and the maintenance, protection and administration of the common use facilities thereof, all of which are declared to be in furtherance of a plan to promote and protect the operative aspects of residency or occupancy in Windemere and on all portions thereof, and are intended to be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in all or any portion of the Properties and which shall inure to the benefit of each owner thereof; and

NOW, THEREFORE, Developer, as legal title holder of the Properties and for the purposes set forth above and further hereinafter set forth, declares as follows:

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any supplemental declaration hereto (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to Windemere Homeowners Association, Inc., a nonprofit corporation to be organized and existing under the laws of the State of Tennessee, its successors and assigns.

(b) "Board" shall mean and refer to the board of directors of the Association.

(c) "Building" shall mean and refer to a single-family (as defined in Article VI, Section 2 (l) hereof) residential building which may be built on each lot.

(d) "Bylaws" shall mean and refer to the bylaws of the Association attached hereto as Exhibit "B" and made a part hereof, and as may be amended from time to time.

(e) "Common Use Facilities" or "Common Areas" shall mean and refer to all facilities and/or areas within the Properties which are used in common by the owners, including all roads, all parking areas which are not located on a "Lot" as defined herein, recreation facilities, any perimeter wall around the Properties, and all areas which are shown as common areas and are not portions of a "Lot" as shown on the referenced Plat of Windemere. For purposes of maintenance only, all portions of the properties lying outside the perimeter wall shall be common use facilities or common areas.

(f) "Declaration" shall mean and refer to this Declaration of Protective Covenants, Conditions and Restrictions applicable to the Properties and which is recorded in the Office of the Register of Deeds for Davidson County, Tennessee.

(g) "Developer" shall mean and refer to Hobbs Corporation, a Tennessee corporation, having its principal place of business in Nashville, Tennessee, its successors and assigns.

(h) "Lot" shall either mean or refer to any plot of land to be used for single-family residential purposes and so designated on the Plat.

(i) "Majority of Owners" shall mean and refer to the holders of more than fifty percent (50%) of the total votes of the Members.

(j) "Member" shall mean and refer to any person or persons who shall be an Owner, and as such, shall be a Member or Members of the Association.

(k) "Mortgagee" shall mean and refer to the holder of a first lien deed of trust encumbering a Lot.

(l) "Windemere" shall mean and refer to that certain residential community known as Windemere which is being developed on real property now owned by Developer in Davidson County, Tennessee, and described in Exhibit "A" attached hereto.

(m) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee interest in any Lot which is part of Windemere, excluding, however, those parties having such interest merely as a security interest for the performance of an obligation.

(n) "Plat" shall mean and refer to the Plan of Windemere of record in Book 6900, Page 45, Register's Office for Davidson County, Tennessee.

(o) "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

(p) "Properties" shall mean and refer to any and all of that certain real estate described in Exhibit "A" attached hereto.

ARTICLE II

Submisson of Properties

Submission of the Properties to Declaration and Bylaws. The Developer, as legal title holder in fee of the Properties, hereby submits and subjects the Properties to the provisions of this Declaration and Bylaws. This Declaration shall constitute covenants running with the land and binding upon all parties now owning or hereafter having or acquiring any right, title or interest in the Properties or any part thereof, and shall inure to the benefit of each Owner hereof. Every person hereafter acquiring a Lot or any portion of the Properties by acceptance

of a deed to any interest in a Lot or any portion of the Properties shall accept such interest subject to the terms of this Declaration, and by acceptance of the same shall be deemed to have consented to and agreed to be bound by the terms, conditions and covenants of this Declaration.

ARTICLE III

Membership

Section 1. Members. Every person or entity who is an Owner of any Lot which is included in the Properties shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Classes of Membership. The Association shall have two classes of membership:

(a) Class A. Class A Members shall be all Owners, except for Developer prior to termination of his Class B membership. If, however, Developer owns one or more Lots upon or after the termination of his Class B membership, then Developer shall become a Class A Member.

(b) Class B. The Class B membership shall be the Developer, his successors or assigns. The Class B membership shall terminate and cease upon the first to occur of the specific written termination by Developer or that date which is two years from the date of closing of the first Lot sale.

Section 3. Class A Voting. Except for matters concerning special assessments, Class A Members shall not be entitled to vote until the termination of the Class B membership, at which time Class A Members shall be entitled to one vote for each Lot owned. The vote for any one Lot owned by more than one person or entity shall be exercised as they among themselves shall determine, but in no event shall the vote or votes with respect to any jointly owned Lot be cast separately.

Section 4. Class B Voting. Except for special assessments, the Class B Member (Developer) shall be the only Member entitled to vote in the Association until such time as the Class B membership shall cease.

Section 5. Special Assessments and Amendments. On all matters concerning a special assessment relating to the Common Use Facilities, the voting shall, prior to termination of the Class B membership, be as follows:

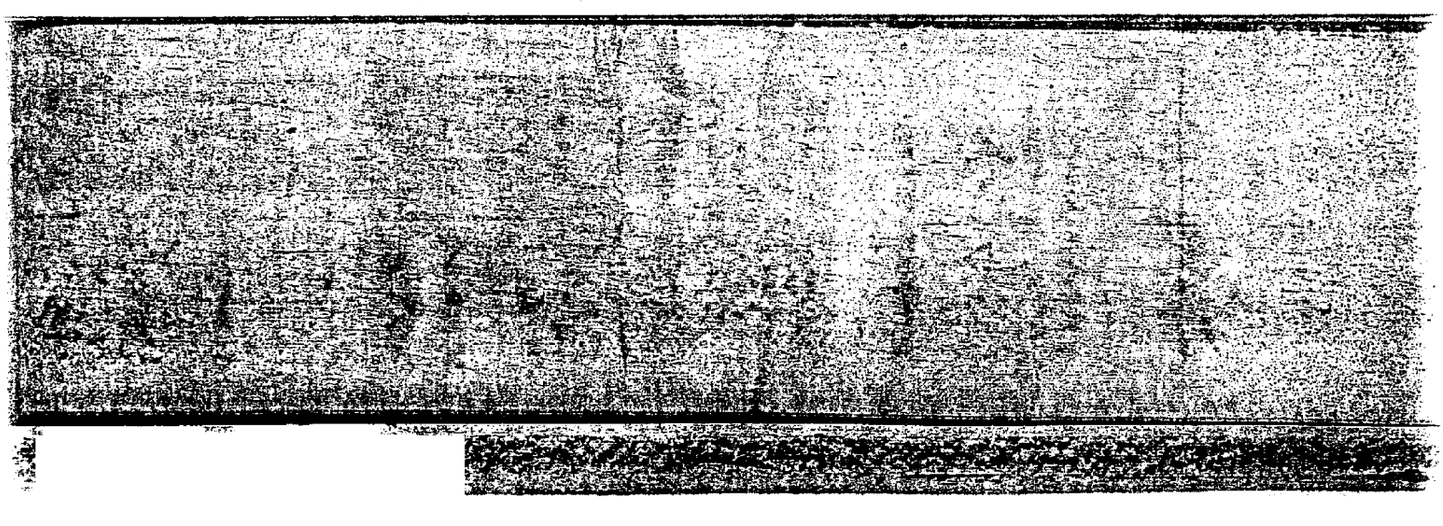
(a) Class A. The Class A Members shall have one vote for each Lot owned.

(b) Class B. The Class B Member shall have two votes for each Lot owned.

ARTICLE IV

Assessments

Section 1. Creation of Lien and Personal Obligation of Assessments. Each Owner of any Lot shall, by acceptance of a deed therefor, whether or not it shall be so expressed in any deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of these restrictions and promises to pay to the Association both annual assessments and charges and special assessments, such assessments to be established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection therefor as are hereinafter provided, shall be a charge and continuing lien upon the Lot against which such assessment is made as of the effective date of each assessment. Each such assessment, together with such interest thereon and costs of collection



therefor as are hereinafter provided, shall also be the personal obligation of the person or entity who was Owner of such Lot at the time when the assessment fell due. In the case of co-ownership of a Lot, all of such co-Owners shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively for the improvement, maintenance, operation and security of the Common Use Facilities, including but not limited to, the payment of taxes and insurance thereon, the payment of utilities bills thereon and the repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof. At the option of the Association, annual assessments may be used to provide supplemental landscaping-maintenance within Lots and to provide garbage and trash collection and disposal if needed to supplement that provided by public authority. Further, the Association may require annual assessments to be paid at such times and in such installments as it may deem appropriate.

Section 3. Special Assessments. In addition to the annual assessments hereinabove authorized, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Use Facilities, including the necessary fixtures and personal property related thereto; provided, however, that any such special assessment shall have the assent of two-thirds (2/3) of the Members present and voting in person or by proxy at an annual or special meeting of the membership at which a quorum is present. Special assessments shall be due and payable on the date(s) which are fixed by the resolution authorizing such assessment.

Section 4. Commencement. The assessment for a Lot shall commence upon closing of the purchase of the Lot from Developer, or Developer may hereafter set a date for assessments to commence for all Lots which have been purchased from Developer (and specify the amount of such assessments). Assessments on Lots that first become subject to assessments during a calendar year shall be prorated on a calendar year basis for the remainder of such calendar year.

Section 5. Due Date. Unless otherwise provided herein, assessments shall be due and payable in full within thirty (30) days after billed to an Owner by the Association.

Section 6. Record of Assessment. The Association shall cause to be maintained in the office of the Association a record of all Lots and assessments applicable thereto which shall be open to inspection by any Owner. Written notice of each assessment shall be mailed to every Owner of the Lot subject to assessment.

The Association shall, upon demand and payment of a reasonable charge, furnish to any Owner a certificate in writing signed by an officer of the Association setting forth whether the assessments against the Owner's Lot have been paid, and if not, the amount due and owing. Absent manifest error, such certificates shall be conclusive as evidence for third parties as to the status of assessments against such Lot.

Section 7. Effect of Non-Payment of Assessment or Other Charges. If any annual or monthly assessment or if any special assessment is not paid on the date when due, or if any sum or charge agreed to be paid by Owners in this Declaration is not paid when due, then such assessment, sum or charge shall be delinquent and shall accrue interest thereon at the highest rate permissible under the laws of the State of Tennessee, after the date due, unless the Board sets a lower rate. If such assessment, sum or charge is not paid within thirty (30) days after the due date, then the Association may bring an action at law against the Owner personally and/or foreclose the lien against the Lot by court action or trustee's sale, as hereinafter provided, and there shall be added to the amount of such assessment, sum or charge all reasonable attorneys' fees and costs incurred by the Association in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessments as indicated above.

Section 8. Enforcement of Lien by Trustee's Sale. For and in consideration of the privileges and protections granted herein, and the mutual enjoyment and use of the Common Property, and for the express purpose of securing the payment of the assessments, other sums and charges described in Section 7 above; rendering unnecessary court proceedings for the enforcement of the lien described in Section 7 above, each Owner accepting a deed to a Lot, for their heirs, administrators, successors and assigns, do hereby transfer and convey unto Percy Wilkins, Jr., Trustee, his successors and assigns, each such Lot deeded to such Owner, with the appurtenances, estate, title and interest thereto belonging unto the Trustee for the following uses in trust:

Said Owners agree to pay all assessments, sums and charges when due and upon demand of said Trustee or the Association, to pay, discharge or remove and and all liens (except a first mortgage or deed of trust lien) which may be hereafter placed against said Owner's Lot which shall adversely affect the lien granted herein, and in case the Trustee or his successors or the Association shall hereafter be required to appear in any court or tribunal to enforce, or defend the title to, or possession of, said Lot or the lien granted herein, or appear in any court to prove said indebtedness, all costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed and be payable by Owner upon demand of the Trustee or Association, and upon failure to do any of these things then said Trustee or Association may do any or all of said things, and the amounts so paid shall bear interest from the date of payment at the highest rate then permitted by the laws of the State of Tennessee, and shall be and become a part of the indebtedness secured hereby.

If said assessments, sums or charges, or interest thereon, are not paid promptly when due or within any period of cure allowed above, or if after said Owners fail to pay any other sums due as above provided, or further, fail to reimburse the Trustee or Association within thirty (30) days from the date of Trustee's or Association's payment of such sums, 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 said Lot 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, statutory right of redemption, homestead, and all other 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 at such foreclosure sale. The Association may bid at any sale under this trust conveyance. The Trustee may at any time after default in the payment of any of the above described indebtedness enter and take possesison of said Lot 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 said Lot, as herein provided, to enter and take possesison thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a deed for said Lot. In case of sale hereunder, the proceeds shall be applied by the Trustee as follows:

(a) To the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided; also reasonable attorneys' fees for advice in the premises, or for instituting or defending any litigation which may arise on the account of the execution of this conveyance, or the enforcement of said lien; also the expenses of any such litigation.

(b) To the payment of all taxes which may be unpaid on said premises.

(c) To the payment of all unpaid indebtedness herein secured.

(d) The residue, if any, to be paid to said Owners, their order, or to their representatives or assigns.

With or without cause or reason, the Association as the lawful owner and holder of said lien, acting by its President, is hereby authorized and empowered to name and appoint a successor in trust to execute this trust by an instrument in writing to be recorded in the Register's Office for Davidson County, Tennessee, and title herein conveyed to the above named Trustee shall be vested in said successor. Trustee is authorized to appoint an attorney-in-fact to conduct in his stead and on his behalf and with the same power possessed by said Trustee as granted herein, any and all foreclosure sales authorized above.

The lien described in this Section and in Section 7 above shall be subordinate to the lien of a recorded first mortgage or deed of trust encumbering any such Lot. Provided, however, that in the event of foreclosure of such mortgage or first deed of trust, the purchaser at such foreclosure shall become subject to the lien reserved herein for the purpose of securing all assessments becoming due from and after the date such purchaser accepts a deed to said Lot or enters into possession of said Lot, whichever shall first occur.

ARTICLE V

Maintenance of Common Use Facilities and Common Areas

Section One. By Developer. Until the termination of Class "B" membership as herein provided, Developer will be responsible for maintenance of all common areas and facilities and shall bear the costs of such maintenance to the extent that they exceed dues and assessments paid by other owners. This provision shall not require Developer to pay dues and assessments on unsold lots on an equivalent basis.

Section Two. By Association. Upon termination of Class "B" membership, the responsiblity for maintenance of all common areas and facilities shall accrue to the Association and the costs of such shall be secured from dues and assessments as provided herein.

Section Three. Failure to Maintain. In the event of the failure by the Developer or Association to properly maintain the common areas and facilities, such maintenance may be assumed by public authority pursuant to the provisions of Section 81.51 of the Comprehensive Zoning Ordinance of the Metropolitan Government of Nashville, Davidson County, Tennessee.

ARTICLE VI

Architectural and Building Restrictions

The Developer shall have the right and responsibility of enforcing the restrictions set forth in this Article until termination of the Class B membership. The Board of Directors of the Association shall assume and be responsible for the enforcement of the Restrictions after that time. References in this Article to the Developer shall, therefore, apply to the Association after it has been incorporated and has assumed the enforcement of these Restrictions.

Section One. Approval of Development. Before commencing the construction, reconstruction, remodeling, alteration or addition of any Building or structure, fence, wall, driveway, path or other improvement of any nature, the Owner shall first submit its building plans, specifications, site and landscape plans, drainage plans, and an elevation sketch (collectively the "Plans") of all improvements to the Architectural Committee, as hereinafter described, for its written approval. The Plans shall include all materials for driveways, walls, fences, swimming pools and any and all other proposed improvements. In the event the Architectural Committee shall fail to approve or disapprove in writing the Plans within thirty (30) days after they have been received by the Architectural Committee, such approval will not be required and this covenant shall be deemed to have been complied with. The Plans shall be delivered to the Architectural Committee in person or by certified mail at the address to be designated from time to time by Developer or the Association.

Plans for any improvements must conform to certain Restrictions as set forth in Section Two hereof, and further must conform to the other requirements of this Declaration. The Architectural Committee shall be the sole judge or arbiter of such conformance or non-conformance. Further, the Architectural Committee may approve or disapprove plans when the Architectural Committee, in its sole discretion, determines that the proposed improvements or any feature of the Plans are not architecturally or aesthetically compatible with the Windemere development. Until termination of the Class B membership, the Developer may in sole discretion serve as, or overrule any decision of, the Architectural Committee.

If the Architectural Committee approves the Plans, the actual construction in accordance with the Plans shall be the responsibility of the Owner; provided, however, upon the completion of the improvements, and prior to occupancy, the Owner shall notify Developer, who shall have ten (10) days thereafter in which to have the improvements inspected by the Architectural Committee to insure that the construction was completed in accordance with the Plans approved by the Architectural Committee prior to constructions. In the event that the Architectural Committee shall fail to approve or disapprove in writing the completed improvements within ten (10) days after receipt of notice from the Owner that the improvements are completed, such approval shall not be required and these covenants will be deemed to have been complied with. In the event an Owner has made changes from the original Plans approved by the Architectural Committee and such changes were not previously approved by the Architectural Committee, occupancy of the subject improvements shall be delayed until the necessary corrections have been made.

In the event any Owner shall fail to complete his residence according to the approved plans or to maintain the improvements situated upon his or her lot in a manner satisfactory to the Association, the Association may, upon the vote of two-thirds (2/3) of the Association's Directors, and after ten (10) days' notice in writing to the Lot Owner, and in the event of his continued failure to commence the correction of the matter in issue, enter upon said Lot and complete, repair, maintain or restore the exterior of the improvements erected thereon. The cost of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject and the Owner shall be personally liable for the cost of such maintenance so incurred.

In addition to the approval of Plans and other matters herein set forth, the Architectural Committee shall have the right to waive minor violations and allow minor variances where the same resulted unintentionally or without gross carelessness on the part of any Owner and are not materially harmful to the Properties. If such waiver is granted in writing, then thereafter such matters so waived shall no longer be deemed a violation of these restrictions.

The approval of Developer or the Architectural Committee of the Plans and completed improvements as required above is not intended to be an approval of the structural stability, integrity or design of a completed improvement or of the safety of any component therein, but is required solely for the purpose of insuring compliance with the covenants contained in this Declaration, and further, to insure the harmonious and orderly architectural development and improvement of the Properties. Notice is hereby given to any future occupant of any such completed improvement and all invitees, business guests and other persons who may from time to time enter or go on or about such completed improvements that no permission or approval granted by Developer or the Architectural Committee with respect to construction pursuant to this Declaration shall constitute or be construed as an approval by them of the structural stability, design of any building, structure or other improvement and no liability shall accrue to Developer or the Architectural Committee in the event that any such construction shall subsequently prove to be defective. No structure of a temporary nature shall be allowed on any Lot at any time except that of an Owner's contractors and subcontractors during the period of construction of improvements.

The Architectural Committee shall consist of three (3) members appointed by Developer, who is empowered to appoint their successors should a vacancy occur, or may remove members and replace them at its sole discretion until termination of the Class B membership, and their names shall be maintained at Developer's offices. By Supplemental Declaration the Developer may delegate to the Association the authority and duty to appoint the Architectural Committee, and upon termination of the Class B membership, the authority to appoint the Architectural Committee shall automatically be vested in the Association.

Section Two. Improvement, Setback and Use Restrictions.

(a) Minimum setback requirements have been established on the recorded subdivision of Windemere, but are not intended to engender uniformity. They are intended to avoid overcrowding and monotony. It is, therefore, intended that setbacks may be staggered, where appropriate, so as to preserve trees and to assure vistas of open areas. The Developer reserves the right to approve the site plan and location of each house or other structure on each Lot and to arrange the same in such manner as it shall deem in the best interests of the overall development. No building or structure, or any part thereof, shall be located on any Lot nearer to the front line nor to a side or rear line than the minimum setback lines shown on the recorded plan or as specified in the Restrictions.

(b) Before any house may be occupied, it must be completely finished.

(c) The total floor living area of the main structure upon any Lot, exclusive of open porches, patios, garages, and breezeways shall be not less than 1800 square feet.

(d) Boundary walls for individual Lots may be erected, provided that the same are approved by the Developer or Architectural Committee. No walls, other than retaining walls, may be constructed along the street on the front of any Lot unless approved by the Architectural Committee. No retaining wall shall extend to a height greater than three (3) feet above the earth being retained and no boundary wall, nor any wall enclosing a patio or courtyard, shall extend to a height greater than eight (8) feet from ground level except with the consent of the adjoining Lot Owners and the Architectural Committee. All boundary and retaining walls must be of brick, stone, stucco or other material agreeable to the Architectural Committee.

(e) Developer reserves the right to establish a uniform mail box and mail box location system.

(f) Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot. Any and all equipment, air conditioner condensers, utility meters, woodpiles, garbage cans, refuse or storage piles placed on any lot, whether temporary or permanent, shall be located, walled in, or adequately screened, to conceal the same from view of neighboring Lots, roads, streets and open areas. Plans for all screening walls and enclosures must be approved by the Architectural Committee.

(g) No lumber, brick, stone, block, concrete or other building materials, nor any other thing used for building purposes shall be stored on any Lot except for the purpose of construction on such Lot, and then only for such length of time as is reasonable necessary for the construction of the improvements then in progress.

(h) Outdoor television and dish antennas may not be installed.

(i) No Owner shall excavate or extract earth from any of the Lots subject to this Declaration for any business or commercial purpose. No elevation changes shall be permitted which will materially affect the surface grade of a Lot unless the consent of the Developer is obtained.

(j) Outside clothesline and clothes hanging devices shall not be permitted. Eaves lights may not be installed on the fronts of residences unless approved by the Developer.

(k) Contiguous Lots may be combined if the Lots have the same Owner, for the purpose of placing an approved Building thereon. Individual Lots may not be resubdivided so as to create a smaller area than originally deeded to a Lot Owner and as shown on the Plat.

(l) The "Lots" (including combined lots as contemplated in the preceeding item) shall be used only for single-family residences and for residential purposes. For purposes of this restriction, "single-family" shall be deemed to mean a single household, and shall not prohibit use and occupancy by persons not comprising a traditional family so long as the number and relationship of the parties are reasonably within the spirit of this provision.

Section Three. Maintenance. All Lots, together with the exterior of all improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners.

Section Four. Parking of Automobiles. A minimum of two (2) covered off-street parking spaces for each residence must be provided by each Lot Owner unless waived by the Developer. Additional parking will be permitted at the front of the residence. Parking for guests of residents and visitors may be provided by the Developer at the locations shown on the Plat, which space shall be for the use of guests of Lot Owners generally.

Section Five. Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any Lot, except household pets which may be kept in reasonable numbers for the sole pleasure of the occupants, but not for any commercial purpose or use. No pets shall be permitted outside of the boundaries of the Owner's Lot unless accompanied by their owners and on a leash. The Association, or any individual resident, may take appropriate measures to insure compliance with this provision, including having the animal picked up by the Metropolitan authorities.

Section Six. Nuisances and Unsightly Materials. No house or other structure on any Lot shall be used for any commercial or business purpose. Each Owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No noxious, offensive or illegal activity shall be carried on upon any Lot. Boats, motor homes and trailors, may be stored in enclosed areas and must not be visible from neighboring Lots, streets, roads or open areas.

Section Seven. Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section Eight. Exclusive Contractors. In order to minimize confusion and complications which may result from the construction of a number of residential units upon the Properties at the same time, and in order to insure the maintenance of high quality of construction, the Developer reserves the right to approve contractors authorized and permitted to construct residential units or facilities upon Lots within the Properties. Such approval shall not be arbitrarily or unreasonably withheld.

ARTICLE VII

Easements

Section One. General. Until termination of the Class B membership, Developer reserves an easement for ingress and egress generally across the Properties at reasonable places on the Properties and the various Lots for the purpose of completing Developer's intended

development. Said ingress and egress easement shall in any event be reasonable and shall not interfere with the construction of improvements on a Lot nor the use and enjoyment of a Lot by a Lot Owner.

Section Two. Emergency. There is hereby reserved without further assent or permit a general easement to all policemen and security guards employed by Developer, firemen, ambulance personnel, garbage collectors, mail men, utility personnel, delivery service personnel and all similar persons to enter upon the Properties or any portion thereof which is now or hereafter made subject to this Declaration in the performance of their respective duties. Included in the persons designated to have access to the premises are all public officials, police and fire officers of the Metropolitan Government.

Section Three. Easements Shown on the Plat. The Plat contains certain designated easements for roads, utilities and drainage. The easements so designated on the Plat encumber the Lots as shown on the Plat, and are hereby established as perpetual easements. Said easements are granted and reserved for the use and benefit in common of all Owners of Windemere and their agents, servants, family members and invitees. No Owner shall have the right to restrict, impede or take any action in any way to prohibit or limit the use in common by all Owners or said easements. However, use of the easements and Common Use Facilities shall be subject to and governed by the provisions of this Declaration and the Bylaws, rules and regulations of the Association.

Section Four. No Rights Established for the General Public. The streets, as shown on the Plat, are not public thoroughfares and no rights in the general public are intended to be created hereby or by the recording of the Plat. Said streets are private thoroughfares to be maintained, operated and controlled by the Association. Developer and/or the Association reserves the right to control access to all streets. Developer and/or the Association reserves the right to deny entry and access to any persons who are not authorized to use the streets pursuant to this Declaration. Soliciting within Windemere is expressly prohibited.

ARTICLE VIII

Maintenance of Unimproved Lots

An Owner shall either commence construction of a residence upon his Lot or cause his Lot to be improved so the same may be maintained the same as a completed lawn in a condition satisfactory to the Architectural Committee within one (1) year after closing of the purchase of the Lot from Developer and shall at all times after closing purchase of his Lot keep grass, weeds and undergrowth cut and keep said Lot free of trash and debris. In the event an Owner fails to so improve his Lot within the time required, or fails to commence such improvement within thirty (30) days after notice from the Association or Developer and thereafter completes the same within ninety (90) days, the Association or the Developer may cause said Lot to be so improved and the Owner shall pay the cost thereof to the Association or Developer upon demand. In the event an Owner fails to pay the same upon demand, such sum may be collected from the Owner as an assessment or charge pursuant to Article IV hereof.

ARTICLE IX

General Provisions

Section 1. Duration. These restrictions shall be appurtenant to and run with the land and shall be binding upon all Owners and parties hereinafter having an interest in any of the Properties and all parties claiming under them for a period of ninety-nine (99) years from the date of the filing of this Declaration.

Section 2. Enforcement. All restrictions herein may be enforced by Developer, his successors and assigns until the termination of the Class B membership, or by the Association, by proceeding at law or in equity against the person, firm or other entity violating or attempting to violate any covenant or covenants, either to restrain the violation thereof or to recover damages, together with reasonable attorneys' fees and court costs. Further, after the termination of Developer's Class B membership in the Association, in the event the Association fails to act to enforce any restriction herein, any Owner of any Lot may enforce these restrictions as aforesaid against any other Owner.

Section 3. Partial Invalidity. Any invalidation of any one or more of these restrictions by judgment, court order, or statute, or failure on the part of Developer or his successors or assigns to enforce any of said restrictions, shall in no way affect any of the other provisions hereof or be deemed as a waiver of the right to enforce such restrictions any time after the violation thereof.

Section 4. Abatement. In the event that any Owner violates any of the terms or conditions of these restrictions and fails to cure the same within ten (10) days after written notice thereof, then Developer, in addition to the other rights and remedies provided for herein, shall have the express right, privilege and license to enter upon any Lot to take any reasonable action to cure such violation, and all reasonable costs thereof shall be at the expense of the Owner of such Lot and shall be payable upon demand by Developer.

Section 5. Exoneration of Developer. Each Owner of any Lot in the Properties or any other party interested in the Properties expressly agrees that:

(a) No duty or obligation is imposed upon Developer to enforce or attempt to enforce any of the covenants or restrictions contained herein, nor shall Developer be subject to any liability of any kind or nature whatsoever from any third party from failing to enforce the same; and

(b) Developer's approval (or approval by the Architectural Committee) of any building plans, specifications, site or landscape plans or elevations, or any other approvals or consents given by Developer pursuant hereto (or by the Architectural Committee) or otherwise shall not be deemed a warranty, representation or covenant that any such buildings, improvements, landscaping or other action taken pursuant thereto or in reliance thereon complies with any or all applicable laws, rules, building codes requirements or regulations, the sole responsibility for all of same being upon the respective Owner; and Developer and the Architectural Committee are expressly released and relieved of any and all liability in connection therewith. Owner agrees to indemnify and hold the Developer and the Architectural Committee harmless from all loss or damage, including reasonable attorneys' fees, incurred by Developer or Architectural Committee as a result of any suit or claim made by any party concerning any feature of construction of the improvements made to any Lot, the noncompliance thereof with such laws, rules, building codes requirements or regulations, or further, any suit or claim made by any injured or alleged injured party claiming to have been damaged or injured by any failure in the structure of any completed improvement, any negligence in design or workmanship of any component of such completed improvements on such Lot.

ARTICLE X

Amendment

The covenants and restrictions of this Declaration may be amended by the Developer, without joinder of any Lot Owner, at any time prior to the termination of Class B membership; thereafter, by agreement signed by the Owners of at least two-thirds (2/3) of the Lots. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record. Every purchaser or subsequent grantee of any interest in any property now or hereafter made subject to this Declaration by acceptance of a deed or other conveyance therefor, thereby agrees that the covenants and Restrictions of this Declaration may be amended as provided herein.

ARTICLE XI

Second Phase Addition

Developer specifically reserves the right to connect an additional parcel of property, to be known as Windemere, Phase 2, along the easterly side of the property comprising Phase 1, the property to be added being presently known as Lot No. 1 on the Plan of Young Woods Subdivision, as of record in Book 2083, Page 45, Register's Office for Davidson County, Tennessee. The number of lots included in Phase 2 shall be as approved by the appropriate authorities. The filing for record of a Plat of Phase 2, together with the execution and filing by Developer of an instrument adopting the provisions of this document shall have the effect of making the Phase 2 lots a portion of the overall Windemere Planned Unit Development and the owners of such lots shall be and become members of the Association with all of the benefits and burdens of such membership. Developer reserves for the benefit of Phase 2 the right to connect to streets and utilities, to the use of common areas and to such other use and access as may be necessary or advisable in the development of Phase 2.

IN WITNESS WHEREOF, the Developer has executed this Declaration of Protective Covenants and Restrictions this 25 day of AUGUST, 1986.

Hobbs Corporation

BY: Jack H. Dalton
Jack H. Dalton, President

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, the undersigned, a Notary Public within and for the State and County aforesaid, personally appeared Jack H. Dalton with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who upon his oath acknowledged himself to be the President of the Hobbs Corporation, 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 the said Jack H. Dalton as such President and attesting the same by the said Jack H. Dalton as such President.

Witness my hand and official seal at Nashville, on this the 15 day of August, 19 86.

Notary Public

My Commission Expires: 11-1-87

EXHIBIT "A" BOOK 6958 PAGE 588

LAND in Davidson County, Tennessee being Lots 2, 3, and 4 on the plan of Young-Woods as of record in Book 2083, Page 45, Register's Office for Davidson County, Tennessee, being further described as that property shown as Windemere, a Planned Unit Development, on Plat of record in Book 6900, Page 45, said Register's Office.

BEING the same property conveyed to Hobbs Corporation, a Tennessee corporation, by deed from Lorene Koonts Ferree, et vir, of record in Book 6826, Page 54, deed from Fred R. Webber, et ux, of record in Book 6782, Page 765, and deed from Charles Rogan Allen of record in Book 6683, Page 634, all in the Register's Office for Davidson County, Tennessee.

EXHIBIT "B"

BYLAWS

OF

WINDEMERE HOMEOWNERS' ASSOCIATION

ARTICLE I
Members (Owners)

Section 1. Members. Every person or entity who is an Owner of any Lot which is included in the Property shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Classes of Membership. The Association shall have two classes of membership:

(a) Class A. Class A Members shall be all Owners, except for Developer prior to termination of his Class B membership. If, however, Developer owns one or more Lots upon or after the termination of his Class B membership, then Developer shall become a Class A Member.

(b) Class B. The Class B membership shall be the Developer, his successors or assigns. The Class B membership shall terminate and cease upon the first to occur of the specific written termination by Developer or that date which is two (2) years from the date of closing of the first Lot sale.

Section 3. Succession. The membership of each Owner shall terminate when he ceases to be an Owner, and upon the sale, transfer or other disposition of his ownership interest in a Lot, his membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

Section 4. Regular Meetings. The first regular annual meeting of Owners may be held, subject to the terms hereof, on any date, at the option of the Board. Provided, however, that said First Meeting shall be held not more than one hundred twenty (120) days after Developer has sold and delivered its deed for at least twenty (20) Lots. In any event, the First Meeting shall be held not less than three (3) years following the date of recording the Covenants. Subsequent to the First Meeting, there shall be a regular annual meeting of Owners within fifteen (15) days after the end of each fiscal year of the Association. All such meetings of Owners shall be held at such place in Davidson County, Tennessee, and at such time as specified in the written notice of such meeting which shall be delivered to all Owners at least ten (10) days prior to the date of such meeting.

Section 5. Special Meetings. Special meetings of all Owners may be called by the President or by a majority of the members of the Board, or by Owners having at least three-fifths (3/5) of the votes entitled to be at such meeting. Said special meetings shall be called by delivering written notice to all Owners not less than ten (10) days prior to the date of said meeting, stating the date, time and place of said special meeting and the matters to be considered.

Section 6. Delivery of Notice of Meetings. Notices of meetings may be delivered either personally or by mail to a Owner at the address given to the Board by said Owner for such purpose.

Section 7. Voting.

(a) Class A. Except for matters concerning special assessments, Class A Members shall not be entitled to vote until the termination of the Class B membership, at which time Class A Members shall be entitled to one vote for each Lot owned in the Properties. The vote for any one Lot owned by more than one person or entity shall be exercised as they among themselves shall determine, but in no event shall the vote or votes with respect to any jointly owned Lot be cast separately.

(b) Class B. Except for special assessments, the Class B Member (Developer) shall be the only Member entitled to vote in the Association until such time as the Class B membership shall cease.

(c) Special Assessments. On all matters concerning a special assessment relating to the Common Use Facilities, the voting shall, prior to termination of the Class B membership, be as follows:

(i) Class A. The Class A Members shall have one vote for each Lot owned.

(ii) Class B. The Class B Member shall have two votes for each Lot owned.

Section 8. Quorum. A quorum of Owners for any meeting shall be constituted by Owners represented in person or by proxy and holding a majority of the votes entitled to be cast at such meeting.

ARTICLE II
Board of Directors

Section 1. Number, Election and Term of Office. The Board of Directors of the Association (referred to herein as the "Board") shall consist of three (3) members (herein referred to as "Directors" or "members of the Board"). Two (2) Directors shall be elected at each regular annual meeting of Association members by the vote of Owners. The Developer shall appoint the three (3) interim members of the Board (the "Interium Board") until the First Meeting. The First Meeting shall, among other business, elect the first three (3) members of the Board (the "First Board") and establish the original term so that the vacancies shall occur and successors elected at each annual meeting thereafter. Those candidates for election as Director receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected. Members of the Interim Board shall hold office until the First Meeting.

Section 2. Qualification. Except for members of the Interim Board, each Director shall be an Owner. If a Director shall cease to meet such qualifications during his term, he shall thereupon cease to be a Director and his place on the Board shall be deemed vacant.

Section 3. Vacancies. Any vacancy occurring in the Board shall be filled by majority vote of the remaining members thereof. Any Director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Director which he succeeds.

Section 4. Meetings. A regular annual meeting of the Board shall be held within ten (10) days following the regular annual meeting of Owners. Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than forty-eight (48) hours' notice in writing to each Director, delivered personally or by mail or telegram. Any Director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Director's attendance at a meeting shall constitute his waiver of notice of said meeting.

Section 5. Removal. Any Director may be removed from office for cause by the vote of three-fifths (3/5) of the total vote of the Owners.

Section 6. Compensation. Directors shall receive no compensation for their services as Directors, unless expressly provided for in resolutions duly adopted by the Owners.

Section 7. Quorum. Two (2) Directors shall constitute a quorum.

Section 8. Powers and Duties. The Board shall have the following powers and duties:

(a) to elect and remove the Officers of the Association as hereinafter provided;

(b) to administer the affairs of the Association and the Common Use Facilities, including the purchasing of casualty and liability insurance covering the Common Use Facilities, the Association, the Board and officers;

(c) to formulate policies for the administration, management and operation of the Common Use Facilities;

(d) to adopt rules and regulations, with written notice thereof to all Owners, governing the administration, management, operation and use of the Common Property;

(e) to provide for the maintenance, repair, and replacement of the Common Property and other expenses authorized by the Covenants and payments therefor, and to approve payment vouchers or to delegate such approval to the officers;

(f) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and oepration of the Common Property and other expenses authorized by the Covenants;

(g) to appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board;

(h) to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;

(i) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Owners their respective shares of such estimated expenses, as hereinafter provided;

(j) unless otherwise provided herein or in the Covenants, to comply with the instructions of a majority of the Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Owners;

Section 9. Non-Delegation. Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Board, the Association or to the Officers of the Association any powers or duties which, by law, have been delegated to the Owners.

ARTICLE III
Officers

Section 1. Designation. At each regular annual meeting, the Directors present at said meeting shall elect the following Officers of the Association by a majority vote:

(a) a President, who shall be a Director and who shall preside over the meetings of the Board and of the Owners, and who shall be the chief executive officer of the Association;

(b) a Secretary, who shall keep the minutes of all meetings of the Board and of the Owners, and who shall, in general, perform all the duties incident to the office of Secretary;

(c) a Treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported; and

(d) such additional Officers as the Board shall see fit to elect.

Section 2. Powers. The respective Officers shall have the general powers usually vested in such Officers; provided that the Board may delegate any specific powers to any other Office or impose such limitations or restrictions upon the powers of any Officer as the Board may see fit.

Section 3. Term of Officers. Each Officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified.

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the remaining members thereof at a special meeting of said Board. Any officer so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Officer he succeeds. Any Officer may be removed for cause at any time by vote of two-thirds (2/3) of the total members of the Board at a special meeting thereof.

Section 5. Compensation. The Officers shall receive no compensation for their services as Officers.

ARTICLE IV
Assessments

Section 1. Annual Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated expenses and cash requirements for the year, including but not limited to salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other expenses for carrying out the duties of the Association. To the extent that the assessments and other cash income collected from the Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account. The annual budget shall provide for a reserve for contingencies for the year and a reserve for replacements, in reasonable amounts as determined by the Board.

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof, shall be furnished by the Board to each Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first day of each month of each quarter, at the discretion of the Board, each Owner shall pay his appropriate share of the assessment for the common expenses as determined by the annual budget. Such proportionate share shall be determined by dividing the annual budget by the total number of Lots. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Owner shall continue to pay his assessment as last determined. Each Owner shall pay his assessment on or before its due date or as may be otherwise directed by the Board.

Section 3. Partial Year or Month. For the first fiscal year and thereafter until the First Board is elected, the annual budget shall be approved by the Interim Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the assessments for each Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of delivery of a deed to a Lot from Developer, each Owner shall pay his assessment for the following month or fraction of a month.

Section 4. Annual Report. Within ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Owner a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem desirable.

Section 5. Supplemental Budget. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Owner, and thereupon a supplemental assessment shall be made to each Owner for his proportionate share of such supplemental budget.

Section 6. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures of the Association, specifying and itemizing the common expenses and limited common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine.

ARTICLE V
Amendments

These Bylaws may be amended or modified from time to time by action or approval of the vote of the owners of two-thirds of the lots. Such amendments shall be recorded in the Office of the Register of Deeds for Davidson County, Tennessee.

RUSH
35003
IDENTIFICATION REFERENCE
AUG 25 2 22 PM '86
FELIX Z. WILSON II REGISTER
DAVIDSON COUNTY, TN
08/25/86 - CASH
3974