cmcl39:06/19/86

THIS INSTRUMENT PREPARED BY:
DEARBORN & EWING
SUITE 1200, ONE COMMERCE PLACE
NASHVILLE, TENNESSEE 37239

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

COPPERFIELD

This Declaration of Covenants, Conditions, and Restrictions is made this 4th day of August, 1986, by Homes by Heritage, Inc., a Tennessee corporation (hereinafter referred to as "Declarant");

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and incorporated herein by reference. Declarant intends by this Declaration to impose upon the Properties, as hereafter defined, mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of residential property within Copperfield, the planned unit development established by and subject to this Declaration and amendments thereto by the recording of this Declaration. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Properties and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Properties as is now or may hereafter be submitted to this Declaration;

WHEREAS, Declarant desires that the real property described in Exhibit "A" be held, sold and conveyed subject to the provisions of this Declaration;

WHEREAS, there have presently been recorded certain Declaration of Restrictive Covenants, of record in Book 6779, page 296, and re-recorded in Book 6783, page 973, Register's Office for Davidson County, Tennessee, with respect to the Properties, and Declarant, as sole owner of the Properties and Units thereon, desires hereby to amend and supersede in all respects said Declaration of Restrictive Covenants by recording this Declaration;

NOW, THEREFORE, Declarant hereby declares that all of the Properties described in Exhibit "A" and any additional property as may by Subsequent Amendment be added to the Properties and subjected to this Declaration shall be held, maintained, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions. Such easements, restrictions, covenants and conditions are for the purpose of protecting the value and desirability of the Properties, and shall run with the real property submitted to this Declaration. They shall be binding on all parties having any right, title, or interest in

the described Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

Declarant further declares that the Declaration of Restrictive Covenants of record in Book 6779, page 296, and re-recorded in Book 6783, page 973, Register's Office for Davidson County, Tennessee, are amended and superseded hereby and shall hereafter be void and of no further force or effect.

ARTICLE I
Definitions

Section 1. "Additional Maintenance Area" shall mean those portions of a Residential Unit which the Association is responsible for maintaining, pursuant to Article IX, and those portions of a Residential Unit which by contract with the Owner the Association undertakes to maintain.

Section 2. "Assessments" shall mean Assessments for Common Expenses provided for herein or by any Subsequent Amendment, which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Residential Units and of maintaining the Properties, all as may be specifically authorized from time to time by the Board of Directors and as more specifically authorized below.

Assessments shall be levied equally against Owners of Residential Units, except for Declarant as hereafter provided, for such purposes as are authorized by this Declaration or by the Board of Directors from time to time, provided that in the event of Assessments for exterior maintenance, insurance, or replacement reserves which pertain to particular Residential Units, such Assessments shall be levied upon a pro rata basis among benefited Owners.

There shall be an Annual Assessment, which shall mean the amount assessed yearly against such Owner as established from time to time by the Board. There may be Special Assessments assessed from time to time against each Owner, or a particular Owner, for construction, reconstruction, repair, or replacement of capital improvements to be established, collected, and used as provided herein.

Section 3. "Association" shall mean and refer to Copperfield Home Owners Association, Inc., a Tennessee nonprofit corporation, its successors and assigns.

Section 4. "Board of Directors" or "Board" shall be the elected body responsible for managing the affairs of the Association. Action required of or permitted by the Board herein may be taken or fulfilled by a committee or other designee as may be established or appointed by the Board in accordance with the Charter or By-Laws of the Association.

Section 5. "Common Area" shall mean all real and personal property, including the Properties, but excluding Residential Units and components thereof and easements appurtenant thereto, now or hereafter owned by the Association for the common use and enjoyment of the Owners, including, but not limited to, any and all streets, roads, bridges, parking areas, lakes, waterways, fences, structures, sidewalks, curbs, tennis courts, recreational facilities, signs, lights, common utilities, and other improvements. The initial Common Area to be owned by the Association shall be conveyed to the Association prior to the conveyance of a subdivision interest to any Residential Unit purchaser.

Section 6. "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association and maintaining the Common Area, Limited Common Areas, and those portions of the Additional Maintenance Area which the Association is responsible for maintaining at the expense of all Unit Owners pursuant to Article IX, Section 2, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association.

Section 7. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing in Copperfield subdivision, Nashville, Tennessee.

Section 8. "Limited Common Areas" shall mean any and all portions of the Properties designated on that Plat as Limited Common Area and which shall consist of that portion of the Common Area allocated by this Declaration and shown on the Plat for the exclusive use of one or more, but fewer than all, of the Residential Units.

Section 9. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 10. "Mortgage" shall include a deed of trust, as well as a mortgage.

Section 11. "Mortgagee" shall include a beneficiary or holder of a deed of trust, as well as a mortgagee.

Section 12. "Mortgagor" shall include the trustor of a deed of trust, as well as a mortgagor.

Section 13. "Owner" shall mean and refer to one or more Persons or entities, including Declarant, who hold the record title to any Residential Unit which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Residential Unit is sold under a recorded contract of sale, the purchaser (rather than the fee owner) will be considered the Owner. For the purpose of this Declaration, the Owner of a Residential Unit which is under lease shall be as follows: for the

purpose of votes and assessments, the record owner of the Residential Unit; for the purpose of use and enjoyment of common facilities and amenities which are part of the Common Area, the tenant residing in the Residential Unit. The Board of Directors may promulgate reasonable regulations conditioning such use upon registration of the names of tenants with the Association.

Section 14. "Person" shall mean a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 15. "Plat" shall mean the recorded plan of the Properties, which is being recorded simultaneously herewith in Book 6900, pages 145 through 149, inclusive, Register's Office for Davidson County, Tennessee.

Section 16. "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and shall further refer to such additional property as may hereafter be annexed by Subsequent Amendment to this Declaration.

Section 17. "Residential Unit" or "Unit" shall mean a portion of the Properties intended for any type of independent ownership for use and occupancy as a residence by a single family, whether a residence is constructed thereon or not. All Residential Units shall be shown and identified as numbered lots or units upon the Plat.

Section 18. "Subsequent Amendment" shall mean an amendment to this Declaration which adds additional property to that covered by this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the land submitted by that Amendment to the provisions of this Declaration.

ARTICLE II
Property Rights

Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to any restrictions or limitations contained in this Declaration or in any Deed or amendment thereto conveying to the Association or subjecting to this Declaration such property. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board and in accordance with procedures it may adopt.

Article III
Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Residential Unit that is subject to this Declaration shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be

separated from such ownership, and any transfer of a Residential Unit shall operate automatically to transfer to the new record owner thereof the membership in the Association appurtenant thereto. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one (1) membership per Residential Unit owned. In the event the Owner of a Residential Unit is more than one person or entity, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or a Member's spouse, but in no event shall more than one (1) vote for each class of membership applicable to a particular Residential Unit be cast for each Residential Unit, except for Class "B" Members as set forth below.

Notwithstanding the foregoing, Declarant may at any time assign, pledge, hypothecate or alienate its membership, but any transfer by Declarant of title to a Residential Unit shall automatically transfer the membership in the Association appurtenant thereto, free and clear from any such assignment.

Section 2. Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". Class "A" Members shall be all Owners with the exception of the Class "B" Members, if any. Class "A" Members shall include Owners of such Residential Units as may be annexed by Subsequent Amendment.

Class "A" Members shall be entitled on all issues to one (1) vote for each Residential Unit in which they hold the interest required for membership by Section 1 hereof; there shall be only one (1) vote per Unit. When more than one Person holds such interest in any Residential Unit, the vote for such Residential Unit shall be exercised as those Persons themselves determine and advise the Secretary of the Association prior to any meeting according to the procedures and other requirements set forth in the By-Laws. In the absence of such advice, the Residential Unit's vote shall be suspended in the event more than one Person seeks to exercise it.

Any Owner of Residential Units which are leased may, in the lease or other written instrument, assign the voting right appurtenant to that Residential Unit to the lessee, provided that a copy of such instrument is furnished to the Secretary prior to any meeting. The By-Laws may set forth other procedures or requirements with respect to voting rights of Members.

(b) Class "B". Class "B" Members shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale and who is designated as such in a recorded instrument executed by Declarant or its successor. The Class "B" Members shall originally be entitled to three (3) votes for each Residential Unit

owned. The Class "B" membership shall terminate and become converted to Class "A" membership upon the happening of the earlier of the following:

(i) four (4) months after seventy-five percent (75%) of the Units have been conveyed to Unit purchasers other than Declarant;

(ii) the 30th day of December, 1991; or

(iii) when, in its discretion, the Declarant so determines.

From and after the happening of these events, whichever occurs earliest, the Class "B" Member shall be deemed to be a Class "A" Member entitled to one (1) vote for each Residential Unit in which it holds the interest required for membership under Section 1 hereof. At such time, the Declarant shall call a meeting, as provided in the By-Laws for special meetings, to advise the membership of the termination of Class "B" status, and shall transfer control of the Association to the Unit Owners, all within four (4) months of the occurence of such event (i), (ii), or (iii). Declarant shall also be a Class "B" Member with respect to Residential Units it owns which are annexed by Subsequent Amendment until such time as such membership is converted to Class "A" membership as set forth above.

Article IV
Maintenance

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Area, the Limited Common Areas, and the Additional Maintenance Area, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Common Area, the Limited Common Areas, and the Additional Maintenance Area, except landscaping immediately adjacent to a Unit as described below. In the event of the failure of the Association to maintain adequately the Common Areas, Section 81.51 of the Zoning Ordinance for Metropolitan Nashville and Davidson County, Tennessee, permits the appropriate official of the Metropolitan Government of Nashville and Davidson County, Tennessee, to provide such maintenance and charge the cost thereof to the Owners pro rata, which cost may become a lien against the Units.

Section 2. Owner's Responsibility. In accordance with this Declaration and Subsequent Amendments to this Declaration, and except as provided in Article IX, all maintenance of the interior portions of buildings situated on the Residential Unit; land, flora and landscaping within the boundaries of a Unit; those areas within enclosed patios, or courtyards; all structural components of the Residential Unit; all patios, decks, balconies, and driveways serving only one Residential Unit; and other improvements not maintained by the Association shall be

the sole responsibility of the Owner thereof, who shall maintain said portions of the Residential Unit in a manner consistent with the Community-Wide Standard of Copperfield in Nashville, Tennessee, the applicable covenants set forth herein, and such rules and regulations as may be established by the Board of Directors from time to time. All landscaping immediately adjacent to the front, rear, or side exterior walls of an attached Residential Unit shall be maintained by the Owner of such Unit, notwithstanding the fact that such landscaping may be located on the Common Area or Limited Common Areas.

Article V
Insurance and Casualty Losses

Section 1. Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area, Limited Common Areas, and those areas contained within the Additional Maintenance Area which the Association is responsible for maintaining, pursuant to Article IX, Section 2 hereof, against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement costs of any repair or reconstruction in the event of damage or destruction from any such hazard.

The Board shall also obtain a public liability policy covering the Common Area, Limited Common Areas, the Association and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents. The public liability policy shall have at least a One Million Dollar ($1,000,000.00) single person limit as respects bodily injury and property damage, a One Million Dollar ($1,000,000.00) limit per occurrence, and a Five Hundred Thousand Dollar ($500,000.00) minimum property damage limit.

Premiums for all insurance as required by this Article V shall be Common Expenses of the Association. The policy or policies may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. Cost of insurance coverage shall be included in the Annual Assessment, as defined in Article X, Section 1.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the respective benefited parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Tennessee and holding a rating of BBB+ or better in the Financial Category as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

(b) All insurance policies shall be for the benefit of the Residential Unit Owners and their mortgagees as their interests may appear.

(c) Exclusive authority to adjust losses under policies in force on the Properties obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Nashville, Davidson County area.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its Manager, the Owners, and their respective tenants, servants, agents and guests;

(ii) a waiver by the insurer of its rights to repair, and reconstruct, instead of paying cash;

(iii) that no policy may be cancelled, invalidated or suspended on account of any one or more individual Owners;

(iv) that no policy may be cancelled, invalidated, or suspended on account of the conduct of any Director, officer, or employee of the Association or its duly authorized agent without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, any Owner, or mortgagee;

(v) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) that no policy may be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

In addition to the other insurance required by this Section, the Board shall obtain, as a Common Expense, workman's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds

on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but may not be less than three (3) months' Assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area, Limited Common Area and Additional Maintenance Areas or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners and their mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any mortgagee of a Residential Unit and may be enforced by such mortgagee.

(b) If it is determined, as provided for in Section 3 of this Article, that the damage or destruction to the Common Area, Limited Common Areas and Additional Maintenance Areas for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 2(a) hereof.

(c) With regard to insurance proceeds relating to any Limited Common Area or Additional Maintenance Area, such proceeds are to be used exclusively for the reconstruction and repair of such improvements as are damaged.

Section 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the costs of repair or reconstruction of the damaged or destroyed Properties. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Properties to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy-five percent (75%) of the total eligible vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the Common Area damage or destruction shall be repaired or reconstructed.

(c) Any damage or destruction to the Limited Common Area shall be repaired or reconstructed unless at least seventy-five percent (75%) of the total eligible vote of the Owners of Units to which said Limited Common Area is allocated shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the Limited Common Area damage or destruction shall be repaired or reconstructed.

(d) In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Common Area or Limited Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the damaged portions of the Common Area or Limited Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area or Limited Common Area by the Association in a neat and attractive condition.

Section 4. Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members, levy a Special Assessment against all Owners in proportion to the number of Residential Units owned by such Owners; if the damage or destruction is of Limited Common Area, the Board, in its discretion, may levy the Special Assessment only against the Owners of Units to which said Limited Common Area is allocated. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. In any fiscal year, the Board may not, without the vote or written assent of a majority of the voting power of the Association residing in members other than the Declarant, levy such Special Assessments which in the aggregate exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year.

Article VI
No Partition

Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Common Area or Limited Common Areas or any part thereof, nor shall any Person acquiring any interest in the Properties or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 3 of Article V in the case of damage or destruction, or unless the Properties have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Article VII
Condemnation

Whenever all or any part of the Common Area or Limited Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of all Owners) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to participate in the proceedings incident thereto, unless otherwise prohibited by law. The award made for such taking shall be payable to the Association as Trustee for all Owners to be disbursed as follows:

(a) If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant and at least seventy-five percent (75%) of the total eligible vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

(b) If the taking involves a portion of the Limited Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant and at least seventy-five percent (75%) of the total eligible vote of the Owners of Units to which said Limited Common Area is allocated shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in such Limited Common Area to the extent lands are available therefore, in accordance with plans approved

by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Limited Common Area so affected, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

ARTICLE VIII
Annexation of Additional Property and Further Development of Properties

Section 1. Annexation Without approval of Class "A" Membership. As the owner thereof, or if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option, from time to time at any time until five (5) years from the anniversary of the filing of this Declaration, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of the real property described in Exhibit "B", attached hereto and by reference made a part hereof, whether in fee simple or leasehold, by filing in the Davidson County, Tennessee Register's Office, an amendment annexing such Properties. Such amendment to this Declaration shall not require the vote of Members. Any such annexation shall be effective upon the filing for record of such amendment unless otherwise provided therein. Declarant shall have the unilateral right to transfer to any other Person the said right, privilege, and option to annex additional property which is herein reserved to Declarant.

Section 2. Annexation With Approval of Class "A" Membership. Subject to the consent of the owner thereof, the Association may annex real property other than that shown on Exhibit "B", and, following the expiration of the right in Section 1, the properties shown on Exhibit "B", upon the written consent or affirmative vote of the following: (a) a majority of the Class "A" Members of the Association, other than Declarant; and (b) Declarant, so long as it owns property subject to this Declaration or which may become subject in accordance with Section 1 of this Article. Such annexation shall be evidenced by the filing for record in the Davidson County, Tennessee Register's Office of a Subsequent Amendment in respect to the Properties being annexed. Any such Subsequent Amendment shall be signed by the President and the Secretary of the Association, and the owner of the real estate being annexed, and any such annexation shall be effective upon filing, unless otherwise provided therein. The time within which and the manner in which notice of any such meeting of the Class "A" Members of the Association, called for the purpose of determining whether additional property shall be annexed, and the quorum required for the transaction of business at any such meeting, shall be as specified in the By-Laws of the Association for regular or special meetings, as the case may be.

Section 3. Acquisition of Additional Common Area. Declarant may convey additional real estate, improved or unimproved, located within the Properties described in Exhibit "B" which upon conveyance or dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its members.

Section 4. Amendment. This Article shall not be amended without the written consent of Declarant, so long as the Declarant owns any property described in Exhibits "A" or "B".

Article IX
Rights and Obligations of the Association

In addition to the powers delegated to it by the Charter, the Association shall have the obligation to perform each of the following duties:

Section 1. Operation and Maintenance of Common Area and Limited Common Areas. To operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of the Common Area and Limited Common Areas, together with all easements for operation and maintenance purposes and for the benefit of the Association or its Members over and within the Common Area and Limited Common Areas; to keep all improvements, if any, of whatever purpose from time to time located thereon in good order, condition, and repair. Any other provision of this Declaration, the Articles, or the By-Laws notwithstanding, the Association always shall maintain lien-free title to the Common Area and Limited Common Areas, excepting only the lien of current taxes not yet due and payable.

Section 2. Additional Maintenance Obligations. In addition to the operation, maintenance, and management duties of the Association set forth in Section 1 above, the Association shall have the right to contract with the Owner of a Residential Unit for the cutting of grass on the Unit; for maintaining, repair or replacement of sidewalks, decks, balconies, patios, driveways, and landscaping; for painting any exterior portion of the Unit; for repairing roof covers; for painting, maintenance, and nonstructural repair of other exterior building surfaces as the Board shall deem necessary and proper, including gutters, downspouts, replacement of trim, caulking and other repairs to roof covers (to include the repair and replacement of all non-structural components of the roof of each Residential Unit), and other miscellaneous repairs of a nonstructural nature. Such maintenance, repair and replacement shall be performed at the option of and under the supervision of the Board subject to such rules, procedures, methods, and compensation as the Board and affected Owners individually may agree; provided, however, that this provision shall not be construed to establish the Board as a principal or employer of any person engaged as an independent contractor to perform such services, and the Board shall be held harmless in connection with any damages caused by or resulting from such maintenance, repairs, or replacements by third parties, except for damages caused by its own negligence or willful misconduct.

In addition to the foregoing, if the need for exterior maintenance and repair by the Association of all or a portion or element of the Common Area, Limited Common Areas, or a portion of a Unit which the Board is permitted or required to maintain pursuant to the preceding paragraph is caused by the willful or negligent conduct or act, or by the failure to act, of an Owner, his family, guests, invitees, or other Persons using or occupying his Residential Unit with his express or implied permission, after notice to such Owner and request for such repair and the failure of such person to make such repair within thirty (30) days of such notice, the Association may make such repair and perform such maintenance, and the cost of such repair or maintenance shall be assessed against such Owner and shall be due and payable thirty (30) days from the date of the request for such payment, such Assessment to be collected and enforced as provided in Article X of this Declaration. Such Assessment shall not require the approval of any of the Members; provided, however, that any Owner against whom any such assessment is levied shall be entitled to notice, a hearing, and an opportunity to do the corrective work required, as provided by Section 3 of Article XII hereof, prior to any Assessment being levied against such Owner in accordance with the provisions of this paragraph. For the sole purpose of performing the exterior maintenance upon each Residential Unit required by this Section 2, the duly authorized employees or agents of the Association, and independent contractors engaged by the Association, shall have the right, after reasonable notice to the Owner, to enter upon or into any Residential Unit at reasonable hours of any day except Sunday.

(b) The duly authorized agents or employees of the Association, and independent contractors engaged by the Association, shall have the right to enter in or upon any Residential Unit or into any structure thereon, without notice to the Owner thereof, when, in the judgment of the Association, such entrance is necessary to prevent damage to such Residential Unit or surrounding Residential Units by fire, criminal act, natural disaster, or other similar emergency.

Section 3. Water and Other Utilities. To acquire, provide, and/or pay for, water, sewerage, garbage disposal, electrical, telephone, gas, and other necessary utility services for the Common Area and Limited Common Areas and all utility services necessary to enable the Association to maintain the Additional Maintenance Areas as provided in Section 2 of this Article IX.

Section 4. Taxes and Assessments. To pay all real and personal property taxes and assessments separately levied upon or assessed against the Association and/or the property owned by the Association. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond in an amount at least equal to such taxes and assessments is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes or assessments.

Section 5. Insurance. To obtain from reputable insurance companies qualified to do business in the State of Tennessee, with a financial rating by Best's Insurance Reports of BBB+ or better, and maintain in force at all times such insurance as is required by this Declaration.

Section 6. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within Davidson County conveyed to it by the Declarant as permitted herein.

Section 7. Rules and Regulations. The Association, through its Board of Directors or otherwise, may make and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include reasonable monetary fines and suspension of the right to vote and the right to use the Common Area. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the By-Laws. In addition, the Association, through the Board or otherwise, may, by contract or other agreement, enforce county ordinances or permit Davidson County to enforce ordinances on the Properties for the benefit of the Association and its members.

Section 8. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Article X
Assessments

Section 1. Creation of Assessments. There are hereby created Assessments for Common Expenses as may be from time to time specifically authorized by the Board of Directors. The Annual Assessment shall be allocated equally among all Residential Units owned by Persons other than Declarant and shall be for expenses determined by the Board to be for the benefit of the Association as a whole. Assessments with respect to Units owned by Declarant shall be based soley on expenses such as taxes and insurance which are attributable to such Units and shall exclude other expenses which do not benefit such Units. Special Assessments may be levied against all Residential Units or Residential Units in particular portions of the Properties when the Special Assessments benefit less than the Association as a whole. Each Owner, by acceptance of his or her deed, is deemed to covenant and agree to pay these assessments. All such assessments, together with interest at the highest rate allowable under the laws of Tennessee from time to time

relating to usury for residential real estate loans (or if no such rate is established, sixteen percent (16%) per annum), costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Residential Unit against which each assessment is made.

Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such Residential Unit at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Residential Unit pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the Annual Assessment for delinquents; unless the Board otherwise provides, the assessments shall be paid in monthly installments.

The Association is specifically authorized and encouraged to seek public and private funds to help defray, in whole or in part, the expenses for which assessments would be necessary. To the extent received, such funds shall be used to reduce the assessments otherwise required by the budget in Section 2. The Association is specifically authorized to enter into subsidy contracts with Declarant or other entities for the payment of some portion of the Common Expenses. Such contract or contracts shall be for the benefit of and enforceable by the Association and its members.

Section 2. Computation of Annual Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year and thirty (30) days prior to the meeting at which the budget shall be presented to the membership, to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared. The Board shall cause a copy of the budget, and the amount of the Assessments to be levied against each Residential Unit for the following year to be delivered to each Owner at least fifteen (15) days prior to the meeting. The budget and the Assessments shall become effective unless disapproved at the meeting by a vote of at least a majority of both classes of the total Association membership.

Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Section 3. Special Assessments. In addition to the Annual Assessments authorized above, the Board may levy, during any calendar year, but in no event prior to the first annual meeting of the Members, Special Assessments, applicable only to that year, to be used solely to defray, in whole or in part, the cost of any construction, reconstruction, or unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto; provided, however that any Special Assessment shall be approved by vote or written consent of (a) fifty-one percent (51%) of each class of members in the Association present and voting, either in person or by proxy, and entitled to vote at a meeting of the members of the Association called for such purpose at which a quorum is present; and (b) fifty-one percent (51%) of the Unit Owners directly affected or benefited by the Special Assessment, in the opinion of the Board, if less than all of the Owners are benefited.

Section 4. Lien for Assessments. To secure the payment of any Assessment, a lien is expressly retained in favor of the Association on each and every Residential Unit. Such lien shall be prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value.

For the purpose of rendering unnecessary court proceedings for the enforcement of said lien in the event of the nonpayment of Assessments, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the Owners, their heirs, successors, administrators, and assigns, hereinafter referred to as Trustors, hereby transfer and convey unto Joe Vaulx Crockett, III, Trustee, his successors and assigns, their respective Residential Units with the appurtenances, estate, title and interest thereto belonging upon the use and trusts set forth in this paragraph.

If each Trustor shall pay his Assessments when due, then this trust conveyance shall be of no further force or effect with respect to such Trustor's Residential Unit. If the Assessments with respect to any Residential Unit are 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 publications in any newspaper, daily or weekly, published in Davidson County, Tennessee to sell said Residential Unit at the front door of the Court House in said County to the highest bidder for cash, at public outcry, free from all statutory, equitable and other rights of redemption, homestead, dower and all 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. The Association may bid at any sale under this trust conveyance. The Association may, at any time after default in the payment of any Assessment, enter and take possession of said property, and shall only account for the net rents

actually received by it. It is further agreed that, in the event the Association fails, before instructing Trustee to sell said Residential Unit, 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 for said property. In the case of sale hereunder, the proceeds will be applied by the Trustee as follows:

(1) First, to the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided, including reasonable attorneys' fees and expenses incurred for instituting or defending any litigation which may arise on account of the execution of this conveyance, or the enforcement of said lien;

(2) Second, to the payment of all taxes which may be unpaid with respect to such Residential Unit;

(3) Third, to the payment of all unpaid Assessments with respect to such Residential Unit;

(4) Fourth, the residue, if any, will be paid to the Owner of such Residential Unit, his order, representatives or assigns;

In the case of the death, absence, inability, or refusal to act of said Trustee at any time when action under the foregoing power and trusts may be required or for any other reason, the Association is hereby authorized and empowered to name and appoint a successor to the Trustee by an instrument in writing to be recorded in the Register's Office for Davidson County, Tennessee, and the title herein conveyed to the above named Trustee shall be vested in said successor.

The Association, acting on behalf of the Owners, shall have the power to bid for the Residential Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. Where the purchase of a foreclosure Residential Unit will result in a ten percent (10%) or greater increase in Assessments, the purchase shall require the vote or written consent of a majority of the total voting power of the Association, including a majority of members of each Class of Membership. During the period owned by the Association, following foreclosure: (1) no right to vote shall be exercised on its behalf; (2) no Assessment shall be assessed or levied on it; and (3) each other Residential Unit shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Residential Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may temporarily suspend the voting rights of a Member who is in default of payment of any Assessment after notice and hearing.

Section 5. Capital Budget and Contribution. As noted in Article X, Section 2, above, the Board of Directors shall annually

prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contibution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by Annual Assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Section 2 of this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Section 6. Certificate of Payment. The Board shall, upon request and for a reasonable charge not to exceed $25.00, furnish to any Person a certificate, signed by an officer of the Association, setting forth whether or not all Assessments, whether Annual or Special, on a specified Residential Unit have been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Article XI
Architectural Standards

Without the prior written approval of the Association acting through the Board of Directors, no Person shall make any modifications, additions or alterations to his Residential Unit or any structure thereon or improvement thereto. The foregoing shall include the erection of fences, retaining or other walls, mailboxes, and driveways. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations shall be submitted to the Board of Directors for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications, including as-builts and builder field changes not included in the original plans and specifications. The right of an Owner to remodel and paint the interior of his residence is exempt from the conditions and limitations of this Article. In the event the Board fails to approve or to disapprove such plans or to request additional information reasonably required within forty-five (45) days after submission, the plans shall be deemed approved.

The Board of Directors may designate a committee to exercise its authority under this Article and shall promulgate detailed standards and procedures in implementing the requirements of this Article. The Board and any committee it may designate may not discriminate between Owners, and upon a written request for a hearing submitted to the Board, an aggrieved Owner shall have the right to a hearing before the Board in accordance with the applicable procedures set forth in Article XII, Section 3. The Board shall have the standing and authority to

enforce in courts of competent jurisdiction its decisions in connection with this Article. This Article shall be effective, and may not be amended without the prior written consent of Declarant, so long as Declarant owns any land subject to this Declaration or subject to annexation by this Declaration.

Article XII
Use Restrictions

Section 1. General Restrictions. In addition to all other covenants contained herein, the use of the Properties is subject to the following:

(a) Residential Use. Except as otherwise provided in this Declaration, each Residential Unit shall be used for a residence and for no other purposes, and there shall not be constructed or maintained upon any Residential Unit more than one single family residence. Notwithstanding the foregoing, however, model homes and attached sales offices may be constructed and maintained on the Property by Declarant. Except as otherwise provided in this Declaration, the Common Area shall be used for recreational, social, and other purposes directly related to the single-family use of the Residential Units authorized hereunder.

(b) Size of Residences. Houses built on the following Units shall each contain the following minimum square footages of heated area. For this purpose, "heated area" shall exclude basements, garages, porches, breezeways, terraces and similar appurtenances.

Unit Number	Minimum Square Feet
126-146; 148-156	1,800
96-125	1,740
66-95	1,740
1-30; 62-65; 47-48	1,640
31-46; 49-61	1,420

(c) Maintenance of Interior. Each owner shall be responsible for the maintenance of, and shall maintain, the interior portions of any structure on his Residential Unit; including interior walls, windows, glass, ceiling, floors, doors and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition reserving to each owner, however, complete discretion as to choice of furniture, furnishings and interior decorating.

(d) Maintenance of Exterior - Easement to Make Repairs. As set forth more fully in Article IV, Section 2, each Owner shall maintain the exterior of all structural improvements located upon his Residential Unit and all landscaping, land, and flora thereon. Each Owner shall (i) keep his Residential Unit free from rubbish, litter, and noxious weeds; (ii) maintain, cultivate, and keep in good condition and repair shrubs, trees, grass, lawns, plantings, and other landscaping located, or from time to time placed, within the bounds of

his Residential Unit; and (iii) replace dead plants, shrubs, trees, grass, or landscaping of the same or similar type.

Each Residential Unit shall be subject to an easement for access to make necessary repairs upon any adjoining Residential Unit and structure therein; provided, however, that:

(i) The limitations of this Paragraph (d) of Article XII shall not apply to the Additional Maintenance Areas;

(ii) Any damage caused by such entry shall be repaired at the expense of the Owner whose Residential Unit was the cause of the repair work that lead to such entry;

(iii) Any such entry shall be made only at reasonable times and with as little inconvenience as possible to the Owner of the entered Residential Unit;

(iv) In no event shall said easement be deemed to create an obligation on the part of Declarant to make such repairs or to permit unauthorized entry into the interior portions of any residence.

(e) Exterior Materials To Be Used. The exterior portion of a residence must be of brick, stucco, dryvit or a combination thereof. Siding is permitted provided that it does not cover more than 50% of the exterior surface of the house, excluding doors and windows. Stone, whether real or imitation, is prohibited. The exterior material must be at grade level or as close to grade level as reasonable.

(f) Signs or Billboards. No sign or billboard of any kind shall be displayed to the public view on any Residential Unit or portion of the Common Area or Limited Common Areas, except for (i) directional or informational signs, established by the Declarant or the Association; (ii) signs used by Declarant or its successor as signs to advertise the Property provided such signs are located on the Common Area or on Residential Units owned by Declarant; and (iii) signs not in excess of four (4) square feet per side erected by an owner upon that owner's Residential Unit to advertise the sale of that unit.

(g) Quiet Enjoyment. No noxious or offensive activities shall be carried on, in or upon any Residential Unit or any part of the Property, nor shall anything be done thereon that may be or may become an annoyance or nuisance to the neighborhood, that shall interfere in any way with each Owner's quiet enjoyment of his respective Residential Unit, or that shall increase the rate of insurance in any way.

(h) Temporary Structures. No structure of a temporary character or other out-building shall be used on any Residential Unit, the Common Area, or Limited Common Area at any time as a residence or otherwise, either temporarily or permanently.

(i) Declarant's Rights. Declarant or its agents shall have the right to conduct any business necessary for the sale of Residential Units, including showing model homes and maintaining a sales and/or construction office on the Common Area or on any Residential Unit owned by the Declarant. In furtherance thereof Declarant shall have an easement over all of the Common Area and Limited Common Areas for ingress, egress, and parking for itself, its agents, employees, and prospective buyers of Residential Units for so long as Declarant or any subsidiary or affiliated company owns any interest in the Properties, and Declarant may block or restrict access over and across roadways so long as access to a particular Unit owned by a Person other than Declarant is not prohibited.

(j) Animals. No animals, reptiles, rodents, livestock, birds, fish, or poultry of any kind shall be raised, bred, or kept in or on any Residential Units, except a maximum of two (2) dogs, cats or such other household pets approved by the Association (or a combination thereof) may be kept in the Residential Units, provided such pets are not kept, bred, or maintained for any commercial purposes. Notwithstanding the foregoing, no animals or fowl may be kept in any Residential Unit if such keeping results in an annoyance or is obnoxious to residents in the vicinity. In any event, each owner shall be absolutely liable to all remaining owners, their families, guests, invitees and tenants and to the Association for any and all damage to persons or property caused by any pets brought or kept in or upon any Residential Unit or on the Common Area or Limited Common Areas by any owner or by members of his family, guests or invitees. The Board shall determine conclusively, in its sole and absolute discretion, whether, for the purpose of this Paragraph, a particular species of animal, bird, fowl, poultry, or livestock is a generally recognized house or yard pet, or a nuisance and therefore to be removed from the Property.

(k) Garage and Driveways. Every house constructed on a Residential Unit shall contain an attached garage of sufficient size to hold two standard automobiles. No detached garages and no carports are permitted. Every garage door shall be equipped with a remote-controlled garage door opener, and every garage door shall be kept closed except when the garage is being entered or exited. All driveways shall be paved with a hard-surfaced material.

(l) Vehicles. No truck, trailer, camper, boat, van or similar equipment shall be permitted to remain upon or within the Common Area or Limited Common Areas unless on a space designated for such use by the Association. No truck, trailer, camper, boat, van or similar equipment shall be stored or permitted to remain upon or within a Residential Unit for more than 48 hours unless stored in an enclosed garage.

(m) Exterior Structures. No fences, ornamental screens, awnings, screen doors, sunshades, walls, or hedges shall be erected or permitted upon the Property, except such as are installed in accordance with the initial construction of the improvements or approved by the

Association as provided in Article XI. No building, including out-buildings, patios, fences, and porches, shall be removed from, erected on, placed or altered on any Residential Unit or on any portion of the Common Area or Limited Common Areas, until the construction plans and specifications and a plan showing the exact location of the structure or improvements have been approved in writing by the Association with respect to quality of workmanship and materials, harmony of external design with existing structure or structures, and location, as provided in Article XI. Any alteration in the exterior color of any structural improvement shall likewise be subject to the prior approval of the Association. The prohibitions set forth herein shall not apply to Declarant.

(n) Exterior Radio and Television Equipment. No towers, antennae, aerials, dishes or other facilities for the reception or transmission of radio or television broadcasts or other means of communications shall be erected and maintained or permitted to be erected and maintained on any portion of the Properties without the prior written consent of the Association, except by installations inside structures constructed on any Residential Units or by underground conduits.

(o) Garbage Collection. All rubbish, trash, and garbage shall be removed from the Property regularly and shall not be allowed to accumulate thereon. All refuse containers, clothes lines, wood piles, storage areas, machinery, or equipment shall be kept in such a manner as not to be visible from neighboring property or contiguous streets. No incinerators shall be kept or maintained on any Residential Unit.

(p) Taxes and Utilities. Each owner shall pay any real and personal property taxes or charges assessed against his respective Residential Unit and the utility charges for said Residential Unit.

(q) Infections, Plant Diseases or Insects. No owner shall permit any thing or condition to exist upon any portion of such owner's Residential Unit that shall induce, breed, or harbor infections, plant diseases, vermin or noxious insects.

(r) Reasonable Inspection and Entry. The Board shall have the right of inspection and entry set forth in Section 3 of this Article. In addition, the Declarant, the Association, and their designees, shall have the right to enter upon a Unit for the purpose of cutting grass, hedges, shrubbery and providing maintenance agreed upon with the Owner thereof.

(s) Trade or Business. Subject to the provisions of Paragraph (i) of this Article XII, no gainful profession, occupation, trade or other nonresidential use shall be conducted in any Residential Unit or upon the Common Area or Limited Common Areas or any portion thereof.

(t) Association to Landscape Common Area and Limited Common Areas. Except as otherwise provided herein, the Association shall have the right and the obligation at any time to plant, replace, maintain, and cultivate shrubs, trees, grass, plantings, and other landscaping upon the Common Area and Limited Common Areas.

(u) Compliance with Laws. The Association and each Owner shall comply promptly with all laws, statutes, ordinances, rules, and regulations of federal, state, or municipal governments or authorities applicable to use, occupancy, construction, and maintenance of any improvements upon the Residential Units.

Section 2. Additional Restrictions. The Board of Directors shall be entitled to invoke additional rules and regulations from time to time for the operation, use, and maintenance of the Properties, including the Units, Common Area, and Limited Common Areas, provided such rules and regulations are not inconsistent with this Declaration.

Section 3. Inspection and Enforcement.

(a) During reasonable hours, any member or representative or the Board shall have the right to enter upon and inspect any portion of the Properties and the improvements thereon for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with. Such Persons shall not be deemed guilty of trespass by reason of such entry, provided 24 hours' prior written notice has been given to the Owner of any Residential Unit entered upon.

(b) In the event that an Owner fails to comply with the provisions of this Article or any other provisions of this Declaration, the Board shall notify such Owner in writing of such lack of compliance, which notice shall specify the nature of such lack of compliance. If, within five (5) days following receipt of such notice, such Owner (1) fails to remedy such lack of compliance and (2) fails to deliver written notice to the Board requesting a hearing before the Board with regard to the matters of non-compliance set forth in such notice, the Association may enter in or upon such Owner's Residential Unit for the purpose of remedying the matters set forth in such notice and shall not be liable for trespass in connection with such entry. If the Owner timely requests a hearing before the Board, the Board shall promptly hold a hearing and shall provide the Owner with at least seven (7) days' prior written notice concerning the date, time, and place thereof. At the hearing, the Owner will have an opportunity to discuss with the Board the merits of the claims set forth in the Board's original notice of noncompliance and the Board will determine what action, if any, is to be taken by the Owner. The decision of a majority of the members of the Board present at the hearing will be binding on the Association and the Owner. In the event that it is determined that the Owner has not complied with the provisions of this Article, the Board shall establish a reasonable time within which the Owner shall so comply. If the Owner fails or refuses to comply within such time period,

the Association may enter in or upon the Owner's Residential Unit for the purpose of remedying such matters and shall not be liable for trespass in connection therewith. The cost of remedying an Owner's failure to comply with the provisions of this Article shall be assessed to the Owner by the Board. Such assessment shall be due and payable thirty (30) days from the date of written notice thereof and shall be collected and enforced in the manner provided in Article X of this Declaration.

Article XIII
General Provisions

Section 1. Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the owner of any Properties subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by 67% of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same.

Section 2. Amendment. Declarant may amend this Declaration at any time prior to the recording of the deed conveying the first Residential Unit to an Owner unaffiliated with Declarant. After the recording of such deed, this Declaration may be amended only by the affirmative vote (in person or by proxy) or written consent of Members representing sixty-seven percent (67%) of the total voting power of the Association. However, the percentage of voting power necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment must be recorded in the Register's Office of Davidson County, Tennessee.

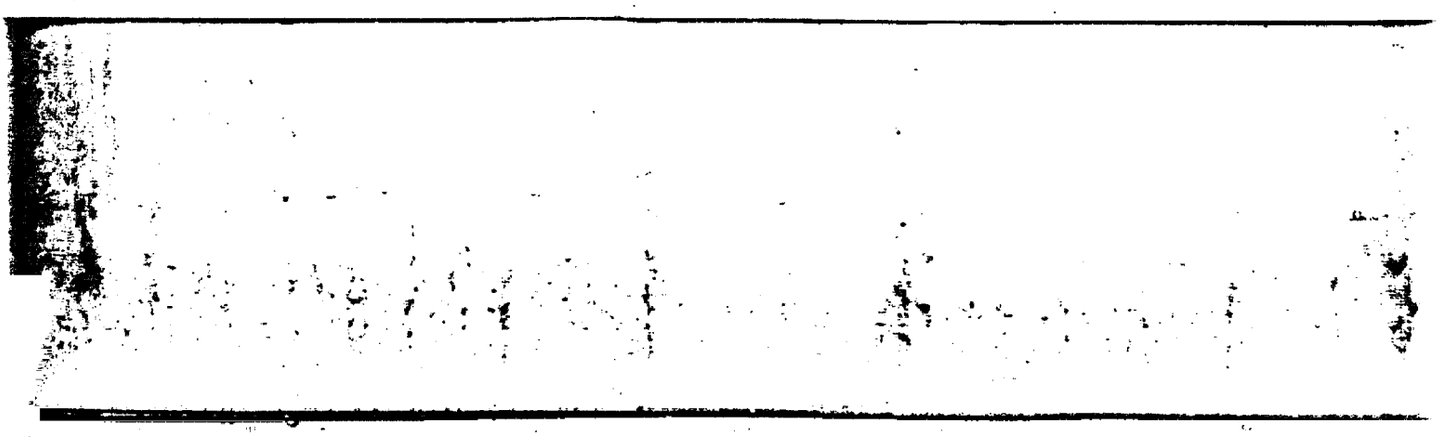
Notwithstanding the foregoing, the following amendments to this Declaration may be made by the Board of Directors, without the vote or consent of any other Member of the Association:

(a) Change in the name of the development.

(b) Change in the address of the principal place of business of the Association.

(c) Correction of a typographical or other nonsubstantive error in this Declaration.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.



Section 3. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director of the Association. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 4. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association, his or her right of enjoyment to the Common Area and facilities to the members of his or her family, tenants, and social invitees, subject to such rules and regulations as the Board of Directors may adopt.

Section 5. Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Residential Unit and such portion or portions of the Common Area or Limited Common Areas adjacent thereto or as between adjacent Residential Units, due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Residential Unit and the adjacent portion of the Common Area or as between said adjacent Residential Units, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an owner, tenant, or the Association.

Section 6. Easements for Utilities, Etc.

(a) There is hereby reserved to the Declarant and granted to the Association blanket easements upon, across, over, and under all of the Properties for ingress, egress, installation, replacing, repairing, and maintaining master television antenna systems, security, and similar systems, walkways, and all utilities, including, but not limited to, water, sewers, telephones, gas, and

electricity. The Board shall, upon written request, grant such easements as may be reasonably necessary for the development, maintenance or alteration of any Properties described in Exhibit "A" or that may be annexed in accordance with Article VIII of this Declaration.

(b) Declarant hereby reserves unto itself and the Association, or their duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as set forth in this Declaration, the Charter, By-Laws, and Association Rules.

(c) Notwithstanding anything herein expressly or impliedly to the contrary, this Declaration and the conveyance of each Residential Unit shall be subject to all easements heretofore or hereafter granted by Declarant or by the Board for the installation and maintenance of utilities and drainage facilities necessary for the development of the Properties.

(d) Whenever sanitary sewer connections, water connections, or electricity, gas, or telephone lines are installed within the Properties, which connections or any portion thereof lie in or upon the Common Area, Limited Common Areas, or Residential Units owned by Owners other than the Owners of the Residential Units served by said connections, the Owner of each Residential Unit served by said connections shall have the right, and hereby is granted an easement to the full extent necessary therefor, to enter upon or have the utility companies enter upon the Residential Unit, Common Area, or Limited Common Areas upon which said connections, or any portion thereof, lie for the purpose of repairing, replacing, and generally maintaining said connections as and when the same may be necessary.

(e) Whenever sanitary sewer connections, water connections, or electricity, gas, or telephone lines are installed within the Properties, which connections serve more than one Residential Unit, the owner of each Residential Unit served by said connections shall be entitled to full use and enjoyment of such portions of said connections as serve his Residential Unit.

(f) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then upon the written request to the Association of any one of such Owners, the matter shall be submitted to the Board, which shall decide the dispute and make an assessment against any or all of the Owners involved, which assessment shall be collected and enforced in the manner provided by Article X of this Declaration.

(g) Each of the easements provided for in this Declaration shall be deemed established upon the recordation of this Declaration and thenceforth shall be deemed covenants running with the land for the use and benefit of the Residential Units and the Common Area, as the case may be, superior to all other encumbrances applied against

or in favor of any portion of the Properties. In furtherance of the easements provided for in this Declaration, the individual deeds to Residential Units may, but shall not be required to, set forth said easements.

Section 7. Construction and Sale by Declarant. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Residential Units shall continue, it shall be expressly permissible for Declarant to construct, maintain and carry on upon portions of the Properties, other than Residential Units owned by persons other than Declarant, such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, covenient, or incidental to the construction or sale of such residences, including, but not limited to, business offices, signs, Residential Units, utilities, model units, and sales offices, and the Declarant shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use residences owned by the Declarant as models and sales offices. This Section may not be amended without the express written consent of the Declarant.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 9. Right of Entry. The Association shall have the right to enter into or onto any Residential Unit for emergency, security, and safety, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. It is intended that this right of entry shall include the right of the Association to enter a Residential Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

Article XIV
Obligation to Rebuild

Section 1. Damage and Destruction -- Duty to Rebuild. If all or any portion of any residence constituting a part of a Residential Unit is damaged or destroyed by vandalism, malicious mischief, fire, windstorm, or other casualty, it shall be the duty of the Owner of said residence to rebuild, repair, or reconstruct said residence in a manner that will restore it substantially to its appearance and condition immediately prior to the casualty.

Section 2. Time Limitation. The Owner of any damaged residence shall be obligated to proceed with all due diligence and commence

reconstruction within forty-five (45) days after the damage occurs and to complete reconstruction within eight (8) months after the damage occurs for any major structural damage and within sixty (60) days for any minor non-structural damage, unless prevented by causes beyond his reasonable control, except that disputes concerning insurance coverage shall not be deemed as an adequate cause for delay.

Article XV
Declarant's Rights

Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Register's Office of the County of Davidson.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 4th day of August, 1986.

HOMES BY HERITAGE, INC.

By: John Carpenter

Title: Vice President

STATE OF TENNESSEE)
COUNTY OF Williamson

Before me, Lynn H. Kemp, a Notary Public in and for the County and State aforesaid, personally appeared John Carpenter, with whom I am personally acquainted, and who upon oath acknowledged himself to be Vice President of Homes by Heritage, Inc., the within named bargainor, a corporation, and that he 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 himself as Vice President.

Witness my hand and seal, at office in Brentwood Tennessee, this the 4th day of August, 1986.

Lynn H. Kemp
Notary Public

My Commission Expires: July 9, 1989

LYNN H. KEMP NOTARY PUBLIC AT LARGE STATE OF TENNESSEE

TRACT ONE

A tract of land in the Second Civil District of Davidson County, Tennessee, BEING more particularly described as follows:

BEGINNING at an old iron pin on the north margin of Cloverland Drive, said pin being 0.44 mi. ± from the intersection of Edmondson Pike and 25' north of the centerline of Cloverland Drive, and being the southeast corner of the Rebecca Sue Brown property; thence, proceeding as follows: With the Rebecca Sue Brown and James Brown east line North 3° 21' 46" east 2,126.98' to an old iron pin in Harold Thoni's south line; thence, South 88° 18' 16" East 63.81' to an old post in Harold Thoni's southeast corner; thence, North 1° 57' 22" East 681.56' with Harold Thoni's east line to a metal fence post in the southwest corner of R. E. Trudell property; thence, North 82° 44' 54" East 296.45 feet to a metal fence post at R. E. Trudell's southeast corner; thence, North 3° 23' 51" East 74.22 feet to a metal fence post thence, North 00° 50' 28" West 839.37' to a new iron pin in the northeast corner of R. E. Trudell property and in the south margin of Old Hickory Boulevard, being 30' from the centerline of Old Hickory Boulevard; thence, with the south margin of Old Hickory Boulevard and on a curve to the right with a radius of 686.29' a length of 395.67' to an old iron pin in the south margin of Old Hickory Boulevard, and being the northwest corner of the Eugene Williams property; thence, South 1° 12' 57" East 1266.98' to a new iron pin; thence, South 24° 00' 48" West 74.58' to a new iron pin; thence, South 10° 21' 32" West 46.98' to a new iron pin; thence, South 5° 20' 47" East 42.98' to a new iron pin; thence, South 51° 43' 14" East 37.44' to a new iron pin; thence, South 71° 33' 21" East 72.28' to a new iron pin; thence, South 3° 26' 46" West 117.0' to a new iron pin; thence, South 00° 58' 27" West 92.6' to a new iron pin; thence, South 10° 47' 30" West 87.48' to an angle iron in the southwest corner of the Eugene Williams property and in the north line of the Thomas E. Smith et ux property; thence, North 85° 25' 13" West 246.7' to a fence post; thence, South 79° 21' 33" West 93.87' to a corner stone; thence South 3° 45' West 1158.82' to a corner stone; thence South

88° 25' 21" East 278.72' to a corner stone, the northwest corner of the R. H. Williams Property and in the south line of the Thomas E. Smith et ux property; thence, South 2° 37' 35" West 974.28' to a new iron pin in the north margin of Cloverland Drive; thence, with the north margin of Cloverland Drive, North 87° 17' West 758.05' to an old iron pin and the point of beginning, containing 2,164,925 sq. ft., more or less, as per survey by Turner Engineering Company dated 10/17/84, being Job No. 44-84, W.O. 5812.

BEING the same property conveyed to Jack L. Langford and wife, Ina F. Langford by deeds of record, as follows: By deed from Margaret Sharp Alsobrook, of record in Book 4625, Page 609, Register's Office for Davidson County, Tennessee, and by deed from Richard D. Taylor, Trustee, of record in Book 5367, Page 475, Register's Office for Davidson County, Tennessee.

TRACT TWO

A tract of land in the Second Civil District of Davidson County, Tennessee, being more particularly described as follows:

BEGINNING at a new iron pin located North 85° 25' 13" West 50.24' from an angle iron at the southwest corner of the Eugene Williams Property, and running as follows: South 2° 46' 09" West 1167.81' to a new iron pin; thence, North 88° 25' 21" West 307.58' to a corner stone; thence, North 3° 45' East 1158.82' to a corner stone; thence, North 79° 21' 33" East 93.87' to a corner post; thence, South 85° 25' 13" East 196.47' to an iron pin and the point of beginning containing 348,483 sq. feet, more or less, as per survey by Turner Engineering Company, dated 10/17/84 and being Job. No. 44-84, W.O. 5812.

BEING part of the same property conveyed to Thomas E. Smith and Louise Corbin Smith by Deed from Mary Elizabeth Williams Potts, Executrix of the Estate of Roy John Williams, Sr., of record in Book 6022, Page 718, Register's Office for Davidson County, Tennessee.

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IDENTIFICATION

Dec 16 4 04 PM '86