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DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR CEDAR CREST, PHASE I

THIS DECLARATION, made on the date hereinafter set forth by CEDAR CREST, LIMITED, hereinafter referred to as "Declarant",

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Nashville, Davidson County, Tennessee, which is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, it is in the best interest of Declarant, as well as to the benefit, interest and advantage of each and every person or other entity hereafter acquiring any of the within described property that certain covenants, conditions and easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in the Cedar Crest community and for the continued maintenance and operation of such recreational and common areas as may be provided;

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration or any supplemental declaration hereto, shall have the following meanings:

A. **"Association"** shall mean and refer to Cedar Crest Homeowners' Association, a Tennessee not for profit corporation, its successors and assigns.

B. **"Board"** shall mean the Board of Directors of Cedar Crest Homeowners' Association.

C. **"Builder"** shall mean any licensed general contractor who, over the prior 12 months, has purchased not less than five (5) Lots for the purpose of constructing residences for resale thereon.

D. **"By-Laws"** shall mean the By-Laws of Cedar Crest Homeowners' Association, as amended from time to time. All provisions contained in the body of this Declaration dealing with the administration and maintenance of the Property shall be deemed to be part of the By-Laws.

E. **"Common Area"** shall mean all real property (including the improvements thereto) owned by the Association for the non-exclusive use, benefit, and enjoyment of the members of the Association, as shown on the Plat.

F. **"Declarant"** shall mean and refer to Cedar Crest, Limited, a Tennessee limited partnership.

G. **"Living Unit"** or **"Unit"** shall mean and refer to any improved residential Lot.

H. **"Lot"** shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the Properties.

I. **"Majority** shall mean the owners of more than fifty (50%) percent of the undivided memberships in the Association, present and then eligible to vote. Any specific percentage of Lot Owners means that percentage of Lot Owners who in the aggregate own such specified percentage of the entire undivided membership in the Association, present and then eligible to vote.

J. **"Member"** shall mean and refer to every person or entity who holds membership in the Association.

K. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

L. **"Plat"** shall mean the plat of Cedar Crest, Phase I, of record in Book 6900, page 284, in the Register's Office for Davidson County, Tennessee, showing the number of each Lot, and expressing its area, location and other data necessary for identification.

M. **"Property"** shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE II

PROPERTY RIGHTS

A. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following:

(a) the right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period

during which any assessment against his Lot or Unit remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of Members has been recorded. Provided however, that such consent shall not be required for the dedication of utility or service easements by Declarant on behalf of the Association, so long as Declarant owns any Lot.

B. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the lot. Membership in the Association may not be conveyed separate from ownership in the Lot.

C. Association's Right of Entry. The authorized representative of the Association or the Board shall be entitled to reasonable access to the individual Lots as may be required in connection with the preservation of any individual Lot or Unit or in the event of an emergency, or in connection with maintenance of, repairs or replacements within the Common Elements, or any equipment, facilities or fixtures affecting other Lots, Units or Common Elements, or to make any alteration required by any governmental authority.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

A. Every owner of a Lot which is subject to a lien for assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

B. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant and all Builders and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease when Declarant and Builders have transferred title to all Lots.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

A. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not

it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

B. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Members and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, or for the use and enjoyment of the Common Area, including, but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise, and for the improvement and maintenance of the Common Area. Until the Declarant has transferred title to all Lots in the development, the Declarant or its nominee shall administer the assessments and receipts therefrom, which may only be used for purposes generally benefiting the Property, as permitted in these Declarations. In the event of the failure of the Association or Declarant, as applicable, to maintain adequately the Common Area, 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.

C. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred and No/100 Dollars ($200.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum allowable annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum allowable annual assessment may be increased by more than 5% by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(d) Assessments may be charged only upon Lots containing occupied dwellings .

D. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpopose.

E. Notice and Quorum for Any Action Authorized Under C and D. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting, and shall state the purpose of such meeting. At the first such meeting called, the presence of Members or of proxics entitled to cast sixty percent (60%) of all the votes of each respective class of membership shall constitute a quorum for such respective class of membership. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

F. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, provided however, that assessments may be charged for each Lot, only upon Lots containing completed dwellings, or only upon Lots containing completed dwellings constructed on a speculative basis which have been sold by the builder thereof, the choice of which shall be in the sole discretion of the Declarant. The books and records for the Association will be kept in such a manner that it is possible to determine and ascertain (i) such sums as are expended by the Association for development, improvements, maintenance and upkeep of all recreational facilities of the Association, and (ii) such sums as are expended for other purposes.

G. Date of Commencement of Annual Assessments and Due Dates. The annual assessments provided for herein shall commence as to all Lots on which they are assessed on the first day of the month following the conveyance of the Common Area. The first annual assessment for each Lot assessed shall be adjusted according to the number of months remaining in the calendar year at the time said respective Lot is assessed. Thereafter, the Board of Directors shall fix the amount of the annual assessment against each Lot so assessed at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

H. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum, or at the highest contract rate of interest then legally collectible in Tennessee, whichever is less. The Association may bring an

action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Owner's Lot(s), and interest, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. During any period in which a Member shall be in default in the payment of any assessment, regular or otherwise, levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by the Board of Directors until such assessment is paid. In the event of violation by any Member of any rules or regulations established by the Board of Directors, such Member's voting and use rights may be suspended by the Board after a hearing at which the general requirements of due process shall be observed. Such hearing shall only be held by the Board (or a committee thereof) after giving such member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. Determination of violation shall be made by a Majority vote of the Board or a committee thereof.

I. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

J. Exempt Property. All property dedicated to and accepted by a local public authority and all properties owned by a charitable or non-public organization exempt from taxation by the laws of the State of Tennessee shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments in any case, except as set forth in Sections 3 and 6 of this Article.

K. Enforcement of Lien. For And In Consideration of the privileges, protections, mutual enjoyment and use of the Common Areas and the premises contained herein, the receipt of which is hereby acknowledged by the Owners, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of said assessments, principal, interest, and attorney fees, a lien is expressly retained by the Association on each and every Owner's Lot and Living Unit and pro rata interest in the Association (referred to in this Section 11 as "property").

And now, for the purpose of better and more effectually securing the payment of said lien indebtedness, rendering unnecessary court proceedings for the enforcement of said lien in the event of the non-payment of said indebtedness and payments thereof, as they become due, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the said Owners, their heirs, administrators, and assigns, hereinafter referred to as "trustors", hereby transfer and convey unto the President of the Association, hereinafter referred to as "trustee", his sucessors and assigns, the real estate hereinbefore described, with the appurtenances, estate, and title and interest thereto belonging upon the following uses and trusts:

Trustors agree to pay their pro rata share of assessments when due and further agree to pay all taxes and assessments thereon, general or special, and to pay them when due, and upon demand of said trustee or the lawful owner and holder of said indebtedness, to pay, discharge, or remove any and all liens (except a Mortgage or Deed of Trust) which may be hereafter placed against said property and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; to keep the improvements on said property in good repair and preservation, and in case the trustee or his successors or the lawful owner and holder of said indebtedness shall hereafter be required to appear in any court or tribunal to enforce, or defend the title to, or possession of, said property, or the lien of this instrument, or appear in any court to prove the above indebtedness, all the costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed, and be payable by trustors upon demand of the trustee or lawful owner or holder of said indebtedness, and, upon failure to do any of these things, then said trustee, or the lawful owner and holder of said indebtedness may do any or all of these things and the amounts so paid shall bear interest at the rate of eighteen (18%) percent per annum or at the highest contract rate of interest then legally collectible in Tennessee, whichever is less, from the date of payment and shall be and become a part of the indebtedness secured hereby.

Now if the trustors shall pay their pro rata share of assessments aforesaid when due, and pay any and all sums when due, as aforesaid, then this trust conveyance shall be of no further force or effect. But if said indebtedness, or any payment thereof, or interest thereon, is not paid promptly when due, or if, failing to pay said other sums when due, as herein provided, trustors fail to reimburse the trustee, or lawful owner and holder of said indebtedness for all sums, with interest, so expended by said trustee, or lawful owner and holder of said indebtedness, within thirty (30) days from the date of such payment, 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 property at the front door of the court house in said County to the highest bidder for cash, at public outcry, free from the equity or statutory right of redemption, homestead, dower, spouse's elective share 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. 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 said indebtedness, enter and take possession of said property, 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 property, 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 case of sale hereunder, the proceeds will be applied by the trustee as follows:

1st. To the full and complete satisfaction of the interest of the first mortgage holder, unless arrangements have been made for the assumption of the first mortgage by the subsequent purchaser.

2nd. To the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided; also reasonable attorney's fees for advice on selling the premises, or for instituting or defending any litigation which may arise on account of the execution of this conveyance or the enforcement of said lien; also the expenses of such litigation.

3rd. To the payment of all taxes which may be unpaid on said premises.

4th. To the payment of all unpaid indebtedness herein secured, and any and all sums expended in the protection of said property, as herein authorized.

5th. The residue, if any, will be paid to the trustors, their order, representatives or assigns.

In 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 lawful owner and holder of said lien is hereby authorized and empowered to name and appoint a successor to execute this trust 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 word "Trustors" when used herein shall apply to parties both singular and plural.

This transfer and conveyance, and the lien for assessments payable by an Owner which is secured by the transfer and conveyance shall both be subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Owner, regardless of whether the first mortgage or deed of trust was recorded before or after this instrument, except for the amount of the proportionate share of assessments which become due and payable from and after the date on which the mortgagee or beneficiary accepts a conveyance of any interest therein (other than as security) or forecloses its mortgage or deed of trust. While the lien for assessments may be extinguished, the personal indebtedness therefor shall remain and be the personal obligation of the Owner who owned the Lot when the assessment came due. Any delinquent assessments (after lien extinguishment) may be reallocated and assessed among all Lots as a common expense. This Section shall not be amended, changed, modified or rescinded to adversely affect the priority of first mortgagees or beneficiaries of record without the prior written consent of all first mortgagees and beneficiaries.

A. Approval of Plans and Specifications. No building, fence, wall or other structure (including a detached garage) shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant. After Declarant shall have conveyed title to all Lots, the architectural control shall be vested in the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Declarant, Board, or Board's designated committee, as the case may be, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. No fence or wall of any nature may be extended toward the front or street side property line beyond the front or side wall of any residence constructed on a Lot. Prior to delivery of architectural control to the Board of Directors, Declarant may vary the established building lines, in its sole discretion, where not in conflict with applicable zoning regulations.

B. Building Materials. The exterior building material of all structures shall extend to ground level and shall be either brick, stone, brick veneer, stone veneer, stucco, stucco-like material or a combination of the same. However, Declarant recognizes that the appearance of other exterior building materials (such as wood siding) may be attractive and innovative, and reserves the right, until architectural control is vested in the Board of Directors, to approve in writing the use of other exterior building materials. In the event that an Owner desires that metal or vinyl siding exceed 25% of the exterior building coverage of any structure, the Owner must obtain approval of the Declarant, Board or architectural committee, as appropriate.

C. Minimum Floor Areas.

(a) The ground floor area of a one story house shall be a minimum of 1,400 square feet, exclusive of the garage.

(b) The ground floor area of a one and one-half story house shall be a minimum of 900 square feet, exclusive of the garage, and the total floor area shall be a minimum of 1,800 square feet, exclusive of garage.

(c) The ground floor area of a two story house shall be a minimum of 900 square feet, exclusive of the garage, and the total floor area shall be a minimum of 1,800 square feet, exclusive of garage.

(d) Any other type home shall be a minimum of 1,800 square feet, exclusive of the garage.

(e) Finished basement areas, garages and open porches are not included in computing floor areas.

D. Landscaping, Driveways. After the construction of a residence, an Owner shall immediately install, or cause to be installed, foundation landscaping in keeping with the character of the surrounding Lots. Each Owner shall concrete, or cause to be concreted, all aprons of drives and shall concrete or asphalt the driveway on said Lot within three(3) months after completion of a single family dwelling.

E. Trees. Upon the completion of the construction of a residence, the Owner shall cause to be planted two (2), two (2) inch diameter hardwood shade trees in the front yard. The species of said trees must be approved by the Declarant, Association or Board, as appropriate.

F. Mail and Paper Boxes and Hedges. No mail box, paper holder or hedge shall be placed or planted on any Lot unless its design and placement or planting are approved in writing by Declarant or by such person or association to whom it may assign the right.

G. Drainage. Drainage of each Lot shall conform to the general drainage plans for the development.

H. Gas Utilities. Each residence constructed on a Lot shall be required to use natural gas as the primary fuel for the the heating system used to heat living spaces and the water heater used to produce hot water for said residence.

I. Gas Light. Each residence, prior to occupancy, shall have installed a gas light, of a make and model specified by Declarant, at a location on the Lot, as specified in writing by Declarant.

ARTICLE VI

USE RESTRICTIONS

A. Land Use. No Lot shall be used except for private, single family residential purposes. No structure shall be erected, placed or altered or permitted to remain on any Lot except one single family dwelling designed for the occupancy of one family (including any domestic servants living on the premises), not to exceed two and one-half stories in height, which shall contain a private garage (attached or detached).

B. Setbacks. No structure shall be located on any Lot nearer to any Lot line than the maximum building setback lines shown on the recorded plat for said respective Lot, except that bay windows and steps may project into said areas, and open porches may project into said areas to the extent allowed by the Planning Commission of the Metropolitan Government of Nashville and Davidson County, Tennessee. Provided however, that no building shall be located closer than five (5) feet to the side yard on any Lot unless approved in writing by the Declarant.

C. Nuisances. No noxious of offensive trade or activity shall be conducted on any Lot, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood.

D. Use of Other Structures and Vehicles.

(a) No structure of a temporary character shall be permitted on any Lot except temporary tool sheds, field offices, or field

sales offices, used by a builder or Declarant, which shall be removed when construction or development is completed.

(b) No outbuilding, trailer, basement, tent, shack, garage, barn or structure other than the main residence erected on a Lot shall at any time be used as a residence, temporarily or permanently.

(c) No trailer, truck, commercial vehicle, camper trailer, camping vehicle or boat shall be parked or kept on any Lot closer to the street than the frontmost portion of the residence constructed on the Lot and shall be adequately screened from view from the street. No automobile which is inoperable shall be habitually or repeatedly parked or kept on any Lot (except in the garage) or on any street. No trailer, boat, truck or other vehicle, except an automobile, shall be parked on any street in the subdivision for a period in excess of twenty-four (24) hours in any one month.

E. Dish Antenna. No dish antennas or satellite antennas shall be erected or placed on any Lot.

F. Animals. No animals, including reptiles, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that not more than two (2) dogs, cats or other household pets (meaning the domestic pets traditionally recognized as household pets in this geographic area) may be kept, provided that they are not kept, bred or maintained for any commercial or breeding purposes. All household pets, including dogs and cats, shall at all times be confined to the Lot occupied by the owner of such pet.

G. Clothes Lines. No outside clothes lines shall be erected or placed on any Lot.

H. Business; Home Occupations. No trade or business of any kind (and no practice of medicine, dentistry, chiropody, osteopathy and like endeavors) shall be conducted on any Lot, or on the Common Area, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. Notwithstanding the provisions hereof or of Article VIII, a new house may be used by the builder thereof as a model home for display or for the builder's own office, provided said use terminates within two (2) years from completion of the house.

I. Signs. No sign for advertising or for any other purpose shall be displayed on any Lot or on any building or a structure on any Lot, except one sign for advertising the sale or rent thereof, which shall not be greater in area than nine (9) square feet; provided, however, that Declarant shall have the right to erect larger signs when advertising the development. This restriction shall not prohibit placement of occupant name signs and Lot numbers as allowed by applicable zoning regulations.

J. Disposal of Trash. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash or garbage or other waste shall not be kept except in sanitary conditions. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot.

K. Drains. No storm water drains, roof downspouts, or ground water shall be introduced into the sanitary sewage system. Connections on

each Lot shall be made with watertight joints in accordance with all applicable plumbing code requirements.

L. Oil and Mining Operations. No oil drilling, oil development, operations, oil refining, quarrying or mining operations of any kind shall be permitted upon, in or under any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon, in or under any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

M. Lawful Use. No immoral, improper, offensive, or unlawful use shall be made of the Common Area, Lots or Living Units, nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.

N. Alteration. Nothing shall be altered or constructed in or removed from the Common Area except upon the written consent of the Association.

O. Rules for Common Area. The Association is authorized to adopt rules for the use of the Common Area and such rules shall be furnished in writing to the Owners. There will be no violation of these rules.

P. Repair of Vehicles. No vehicles of any type shall be permanently or semi-permanently parked on the streets within the development, on any Lot or in the Common Area for purposes of accomplishing repairs thereto, or the reconstruction thereof except as permitted by the rules and regulations adopted by the Association. This restriction shall also apply to all vehicles not in operating condition regardless of whether or not such vehicles are being operated.

Q. Solar Panels. The use of solar panels on any structure on a Lot or on the Lot itself shall be permitted only if said solar panels are not visible from the street in front of said structure.

ARTICLE VII

INSURANCE

A. Casualty Insurance on Insurable Area. The Association shall keep all insurable improvements and fixtures of the Common Area insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Common Assessments made by the Association.

B. Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area Improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Common Assessments made against such Owner.

C. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs to or replacement of the property which may have been damaged or destroyed.

D. Notice to First Mortgagees. In the event of substantial damage to or destruction of the Common Elements, the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such damage or destruction, if such notification has been requested by said holder of a first mortgage or deed of trust.

E. Liability Insurance. The Board shall also have authority to and shall obtain comprehensive public liability insurance in such amounts as it deems desirable, and workmen's compensation insurance and other liability insurance as it deems desirable, insuring each Unit Owner, mortgagee of record, if any, the Association, its officers, directors, Board and employees, the Declarant, and the Managing Agent, if any, from liability in connection with the Common Elements. The premiums for such insurance shall be a common expense. However, at the option of the Board, and upon written notice to all Unit Owners, premiums for such insurance shall be separately billed to each Unit Owner for his corresponding percentage of ownership in the Common Elements.

ARTICLES VIII

EXTERIOR MAINTENANCE

It shall be the duty of each Owner to keep the grass on his Lot properly cut, to keep the Lot free from weeds and trash, and to keep it otherwise neat and attractive in appearance. Should any Owner fail to do so, then in addition to maintenance upon the Common Area, the Association, upon written approval by a majority of the Board, shall be authorized to perform exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements. In addition, upon the failure of any Owner to comply with any condition or requirement of Article V or Article VI, for actions or failure to act arising prior to vesting of architectural control in the Board of Directors, the Declarant may take such action as is necessary to comply therewith, and the Owner on demand shall reimburse Declarant for the expense incurred in so doing. For action or failure to act arising after architectural control is turned over to the Board of Directors by the Declarant, as set forth in Article V, all such enforcement provisions shall be vested in the Board of Directors who

may, by a majority vote, authorize work to remedy the non-complying conditions and add the cost of such work to the assessment to which the subject Lot is subject.

ARTICLE IX

EASEMENTS

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction or flows of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

ARTICLE X

OBLIGATION TO CONSTRUCT OR RECONVEY

Each Owner, other than Declarant or Builder, shall, within twelve (12) months after the date of conveyance of a Lot without a dwelling thereon, commence in good faith the construction of a single family dwelling, approved according to Article V, upon each Lot conveyed; provided, that should said construction not commence within the specified period of time, Declarant may elect, but shall not be obligated, to repurchase any and all Lots on which construction has not so commenced for ninety (90%) percent of the agreed purchase price of said Lot or Lots, in which event the Owner shall immediately reconvey and deliver possession of said Lot or Lots to Declarant by deed of special warranty.

ARTICLE XI

GENERAL PROVISIONS

A. Enforcement. The Association, the Declarant, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, the Declarant or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

C. Amendment. Unless cancelled, altered, or amended under the provisions of this Article, the covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration in recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than ninety (90%) percent of the Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Owners, provided that no amendment shall alter any

obligation to pay ad valorem taxes or assessments for public improvements as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be recorded.

D. Non-Liability of the Directors, Board and Officers. Neither the directors, Board, the officers of the Association, nor the Declarant shall be personally liable to the Owners for any mistake of judgment or for any other act or omission of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The Owners shall indemnify and hold harmless each of the directors, Board, officers, or Declarant and their respective heirs, executors, administrators, successors and assigns in accordance with By-Laws.

E. Board's Determination Binding. In the event of any dispute or disagreement between any Owners relating to the Property, or any questions of interpretation or application of the provisions of this Declaration or the By-Laws, the determination thereof by the Board shall be final and binding on each and all such Owners.

F. Notices. Notices provided for in this Declaration or the By-Laws shall be in writing, and shall be addressed to the President of the Association or to the Board, at the Declarant's or Association's address, or any Owner, as the case may be, at the Owner's address in the development, or at such other address as is hereinafter provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Owners. Any Owner may designate a different address for notices to him (other than to his or her Lot) by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person upon written acknowledgment of the receipt thereof.

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

Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the project; or

(b) Any delinquency in the payment of assessments or charges owed by an Owner subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor which remains uncured for a period of sixty (60) days.

G. Transfer of a Lot -- Notice to Association.

(a) Unrestricted Transfers. An Owner may, without restriction under this Declaration, sell, give, devise, lease or otherwise transfer his Lot, or any interest therein, to any person.

(b) Notice to Association of Certain Transfers. Whenever an Owner shall propose to sell his Lot, or any interest therein, said Owner shall give the Association notice of the transfer.

H. Rights and Obligations. Each grantee of the Declarant, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdictions, rights and powers created or reserved by this Declaration. All future Owners and occupants shall be subject to and shall comply with the provisions of this Declaration. Any restrictions or rules in the By-Laws which are more than administrative in nature, such as, but not limited to, reservations of future rights of the Declarant, are hereby incorporated into and made a part of this Declaration by reference. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Owners, tenants and occupants of a Lot shall be subject to, and shall comply with, the provisions of the By-Laws referred to herein, as they may be amended from time to time. The acceptance of a deed of conveyance or of a lease to a Lot, or the entering into occupancy of any Lot, shall constitute an agreement that the provisions of the said By-Laws and any rules and regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Lot, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

The terms and conditions of the Declaration, By-Laws, and rules and regulations may be incorporated by reference in, and become part of, the agreement between any first mortgagee and any present or future Owner who enters into such an agreement with a first mortgagee. When so incorporated, any default in the terms and conditions of the Declaration, By-Laws and rules and regulations may be considered as a default by the first mortgagee, whereupon said first mortgagee, after exercising its option to declare a default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Owner.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 23rd day of April, 1987.

CEDAR CREST, LIMITED

BY: Professional Equities Corp.,
General Partner

By: Peter A. Young, President

BY: Design Construction Company, Inc.,
General Partner

By: David B. Kenaum, President

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Peter A. Young, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be President of Professional Equities Corp., a General Partner of CEDAR CREST, LIMITED, the within named bargainor, a Tennessee limited partnership, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the partnership by himself as President of Professional Equities Corp.

WITNESS my hand and seal, at Nashville, Tennessee, this 23rd day of April, 1987.

Robert L. Seigler
NOTARY PUBLIC

My Commission Expires: 7/18/87

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared David B. Kenaum, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be President of Design Construction Company, a General Partner of Cedar Crest, Limited, the within named bargainor, a Tennessee limited partnership, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the partnership by himself as President of Design Construction Company.

WITNESS my hand and seal, at Nashville, Tennessee, this 23rd day of April, 1987.

Robert L. Seigler
NOTARY PUBLIC

My Commission Expires: 7/18/87

DESCRIPTION OF PROPERTY BOOK 7213 PAGE 990

Being a tract of land in the Second Civil District of Metropolitan Nashville, Davidson County, lying on the South side of Charlotte Pike.

Beginning at an iron pin in the Southerly margin of Charlotte Pike being North of centerline of the intersection of Old Hickory Boulevard and Charlotte Pike a distance of 1,224.5 feet more or less and being more particularly described as follows:

Thence; North 45 degrees 53 minutes 338 seconds East 659.00 feet, along the Southerly margin of Charlotte Pike to an iron pin: Thence; leaving the Southerly margin of Charlotte Pike, South 27 degrees 06 minutes 02 seconds East, 1,342.03 feet, to an iron pin in the Northern R. O. W. of Interstate 40 West.: Thence; with said Northerly R. O. W. of I-40 West, South 43 degrees 14 minutes 13 seconds West, 910.19 feet to an iron pin: Thence; leaving said Northerly R. O. W. of I-40 West, North 18 degrees 14 minutes 12 seconds West, 1,473.03 feet to an iron pin in the Southerly margin of Charlotte Pike which is the point of beginning.

Containing 23.23 Acres more or less, according to the survey of Thomas & Miler dated June 6, 1985, Job Number 8522.

BEING the same property conveyed to Grantors by Deed of Bruce Purcell and wife, Joyce Purcell, R & L Investment Company and W. G. Bush and Company, of record in Book 5291, page 303, Register's Office of Davidson County, Tennessee.

04/24 54.00- CHECK
18618
RECEIVED FOR REFERENCE
APR 24 10 23 AM '87
BUSH

EXHIBIT A