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File 14

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MASTER DEED

FOR

OAKLAND TRACE CONDOMINIUMS

PHASE III

(A Horizontal Property Regime)

APR 4 10 06 AM
FELIX Z WILSON II REGISTER
DAVIDSON COUNTY, TN
IDENTIFICATION REFERENCE

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THIS MASTER DEED, made and entered into by C & T Development Company, Inc., a Tennessee Corporation, for convenience hereinafter referred to as the "Developer";

W I T N E S S E T H:

WHEREAS, the Developer is the legal title holder of certain improved real estate located in the County of Davidson, State of Tennessee, and described on Exhibit "A" attached hereto (The "Parcel"); and

WHEREAS, the Developer intends to and does hereby submit the above-described parcel of real estate together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto (the "Property") to the provisions of the Horizontal Property Act of the State of Tennessee for the express purpose of establishing thereon a Horizontal Property Regime to be known as Oakland Trace Condominiums, Phase III.

WHEREAS, the Developer further desires to establish said Horizontal Property Regime for its own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof, and intends that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest in the Property, shall hold such interest subject to certain rights, easements and privileges in, over and upon the Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, as hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspects of residence on the Property, and are established for the purpose of enhancing the value, desirability and attractiveness of the Property; and

WHEREAS, the Developmer may incorporate, but shall not be obligated to so incorporate, additional lots and additional areas adjacent thereto, into additional phases of Oakland Trace Condominiums, Phase III, by recordation of an amendment of amendments to this Master Deed annexing such phase or phases as hereinafter provided.

NOW, THEREFORE, the Developer declares as follows:

1. Definitions. As used herein, unless the context otherwise requires:

(a) "Acts" means the Horizontal Property Act of the State of Tennessee, Tennessee Code Annotated, Section 66-27-101, et seq.

(b) "Association" means Oakland Trace Condominiums, Phase III, Homeowners Association, a Tennessee not-for-profit corporation.

(c) "Board" means the Board of Directors of the Oakland Trace Condominiums, Phase III, Homeowners Association, a Tennessee not-for-profit corporation.

(d) "Buildings" means the buildings located on the Parcel and forming part of the Property and containing the Units. The "Buildings" are delineated on the Plat.

(e) "Bylaws" means the Bylaws of the Oakland Trace Condominiums, Phase III, attached hereto as Exhibit "B" and made a part hereof, as amended from time to time. For purposes of the Act, all provisions contained in the body of the Master Deed dealing with the Administration and maintenance of the Property shall be deemed to be a part of the Bylaws.

(f) "Common Elements" means all of the Property except for the Units, and, without limiting the generality of the foregoing, shall include those items defined as "General Common Elements" in the Act, including the following:

(1) The Parcel;

(2) All foundations, bearing walls and columns, beams, supports, corridors, roofs, halls, lobbies, stairways; and entrances and exits or communication ways;

(3) All basements, yards, and gardens, except as otherwise herein provded, stipulated, or shown on the Plat;

(4) All compartments or installations of central services, if any, which provide power, light, has cold and hot water, and all devices or installations existing for common use (but not including installations situated entirely within a Unit and serving only such Unit);

(5) Any swimming pool, clubhouse, meeting room, office and recreational facilities (it being understood and declared that Phase III of the Horizontal Property Regime contains no such amenities and facilities and that the Developer is not obligated to construct or provide any such amenities or facilities);

(6) Pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only such Unit);

(7) All other elements of the Buildings and parts of the Property desirable or rationally of common use or necessary or convenient to the existence, maintenace and safety of the condominium regime established by this Master Deed.

(g) "Developer" means Oakland Commons, its successors and assigns, provided such successors or assigns are designated in writing by Developer as a successor or assign of the rights of Developer set forth herein.

(h) "Limited Common Elements" means all Common Elements continuous to and serving a single Unit or a certain number of Units to the exclusion of other Units, as an inseperable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful Occupants of such Unit or Units either in this Master Deed, on the Plat, or by later decision of all of the Unit Owners. Said Limited Common Elements shall include, but shall not be limited to, exterior doors, windows, and window frames and sash, any separate furnace, air conditioner, or water heater located within or adjacent to a Unit located entirely within a Unit and serving only such Unit, any patio or deck adjacent to a Unit but serving only such Unit, and the parking areas serving such Unit.

(i) "Majority" or "Majority of the Unit Owners" means the Owners of more than fifty percent (50%) of the voting rights of the Unit Owners.

(j) "Master Deed" means this instrument, as amended from time to time.

(k) "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

(l) "Parcel" means the parcel or tract of real estate, described on Exhibit "A" attached to this Master Deed. Upon amendment to this Master Deed establishing an additional phase of phases of Oakland Trace Condominiums, "Parcel" shall thereafter mean the real estate described in said instrument which is therein subjected to the provisions of this Master Deed, plus the real property described on Exhibit "A" hereto, and any additional real property previously brought under the provisions hereof.

(m) "Person" menas a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(n) "Plat" means the plat or survey of the Parcel submitted to the provisions of the Act showing the number of each Unit expressing its area, location and other data necessary for identification, said Plat for Oakland Trace Condominiums, Phase III, being attached hereto as Exhibit C. Plats for additional phases of Oakland Trance Condominiums may be recorded from time to time as hereinafter provided and upon such recordation "plat" shall mean the plat attached hereto as Exhibit C, any such additional plat, or all such plats collectively, as the circumstances may require.

(o) "Property" means all the land and space comprising the Parcel, and all improvements and structures thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provisions of the Act. Upon incorporation of additional phases into Oakland Trace Condominiums, as hereinafter provided, the "Property" shall be deemed to include such additional phases.

(p) "Record" or "Recording" refers to the record or recording in the office of the Register of Deeds of Davidson County, Tennessee.

(q) "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in a Building, which enclosed space is not owned in a common with the Unit Owners of the other Units. Each Unit is numbered as shown on the Plat, and the boundaries of each Unit shall be and are the unfinished interior surfaces of its perimeter walls, floor and ceilings. A Unit includes both the portion of the Buildings so described and the air space so encompassed, excepting Common Elements. Any Unit may be jointly or commonly owned by more than one person. It is intended that the term "Unit" as used in this Master Deed shall have the same meaning as the term "Apartment" as used in the Act.

(r) "Unit Owners" means the person or persons whose estates or interest, individually or collectively, aggregate fee simple ownership of a Unit, and of the undivided interest in the Common Elements appurtenant thereto, and shall be deemed the same as a "co-owner" under the Act. Unless specifically provided otherwise herein, the Developer shall be deemed a Unit Owner so long as he is the legal title holder of any Unit.

2. Submission of Property to the Act. The Developer, by recording this Master Deed, does hereby submit and subject the Parcel and the Property to the provisions of the Act and hereby establishes a Horizontal Property Regime as authorized and described in the Act and to be hereafter known as Oakland Trace Condominiums, Phase III.

3. Plat. The Plat sets forth the numbers, areas, locations, and other data, as required by the Act.

4. Units. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Every deed, lease, mortgage, Deed of Trust or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Unit to be seperated into any tracts or parcels different from the whole Unit as shown on the Plat.

5. (a) Association of Unit Owners and Administration and Operation of the Property. There has been or will be formed an Association having the name Oakland Trace Condominium, Phase III, Homeowners Association, a Tennessee not-for-profit corporation, which Association shall be the governing body for all of the Unit Owners and shall be operated to provide for the maintenance, repair, replacement, administration, operation and care of the Property as provided in the Act, this Master Deed and Bylaws. The Bylaws for the Association shall be the Bylaws attached to this Master Deed as Exhibit "B" and made a part hereof. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the Bylaws.

The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the use and benefit of Unit Owners in accordance with the provisions of the Master Deed and Bylaws. Each Unit Owner shall be a member of the Association so long as he is a Unit Owner. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneous succeed to the former Unit Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be divided among the respective Unit Owners with one (1) vote granted to each Unit. Upon the incorporation of an additional phase or phases into Oakland Trance Condominiums, the aggregate number of votes of the Association shall automatically increase to the total of all Units of all Phases then incorporated into the Horizontal Property Regime with (1) vote granted to each Unit. All Unit Owners of such additional phase or phases shall automatically become members of the Association.

(b) Management of Property. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (c) below. The Board shall require that such Managing Agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense, as defined in paragraph 10 below. Any vote of the Board to adopt any form of management company shall be subject to the prior approval of a majority of all first mortgagees of Units.

(c) Initial Management Contract. The First Board, appointed as provided herein, shall ratify and approve the Management Agreement between the Developer, on behalf of the Association, and management corporation, to act as Managing Agent for the Property, for a term as approved by said First Board, but not to exceed one (1) year.

(d) Use by Developer. During the period of sale by the Developer of any Units, the Developer, and the Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Buildings and Property as may be required for the purposes of sale of the Units. While the Developer owns any of the Units and until each Unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units, or as a sales office, and may maintain customary signs in connection therewith.

(e) Non-Liability of the Directors, Board, Officers and Developer. Neither the directors, Board, officers of the Association, nor the Developer shall be personally liable to the Unit Owners for any mistake of Judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers, or Developer, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Unit Owners shall indemnify their respective heirs, executors, administrators, successors and assigns in accordance with the Bylaws.

(f) Interest of Association in Common Elements. Ownership of the Common Elements is allocated as described in Section 7 hereof. The Association shall have no ownership interest in the Common Elements.

6. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of the Master Deed or Bylaws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners.

7. Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, with each Unit being allocated a one eleventh (1/23) interest in the common elements. Upon recordation

of an amendment to this Master Deed adding an additional phase or phases to the Horizontal Property Regime, then the percentage of ownership in the common elements shall be automatically adjusted such that each Unit shall be allocated an equal percentage ownership. The percentage of ownership interests shall remain constant unless hereafter changed by the addition of phases to the Horizontal Property Regime by Developer, or otherwise by recorded amendment to this Master Deed consented to in writing by the Unit Owners, in accordance with the requirements hereinafter contained. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of Ownership. The ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the fee title to that Unit.

8. Use of the Common Elements. Except as hereinafter set forth, each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the Property subject to leases made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and his agents, servants, tenants, family members, customers, invitees and licenses. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving such Unit along or with adjoining Unit. Such rights to use the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act, Master Deed, Bylaws, and any rules and regulations established by the Association. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of the Master Deed and Bylaws. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

9. Storage Areas and Parking Spaces. Any storage areas on the Property, except those inside the Units and those which are Limited Common Elements, shall be part of the Common Elements and may be allocated with exclusive use thereof assigned by the Developer to the respective Unit Owners, and shall be used by such Unit Owners in such manner and subject to such rules and regulations as the Board may prescribe. Parking spaces with the Parcel shall be part of the Limited Common Elements as provided herein, and may be allocated with exclusive use thereof assigned by the Developer, or the Board, to the respective Unit Owners, and shall be used by such Unit Owners in such manner and subject to such rules and regulations as the Board may prescribe. Maintenance and repair of such parking areas shall be the responsibility and cost of the Respective Unit Owner.

10. (a) Common Expenses. Each Unit Owner shall pay his proportionate share of the expenses of the administration and operation of the Common Elements and of any other expenses incurred in conformance with the Master Deed and Bylaws (which expenses are herein sometimes referred to as "common expenses"), including, but not limited to, the maintenance and repair thereof and any and all replacements and additions thereto. Such proportionate share of the common expenses for such Unit Owner shall by in accordance with his percentage of ownership in the Common Elements. Payment of common expenses, including any prepayment thereof required by a contract for a sale of a Unit, shall be in such amounts and at such times as determined in the manner provided in the Bylaws. No Unit Owner shall be exempt from payment of his proportionate share of the common expenses by waiver or non-use of enjoyment of the Common Elements or Limited Common Elements, or by abandonment of his Unit. If any Unit Owner shall fail or refuse to make any such payment of the common expense when due, the amount thereof, together with interest thereon at the highest rate then allowed by applicable law, after said common expenses become due and payable, shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act. Each assessment for common expenses against a Unit shall be the personal obligation of the Owner of the Unit

at the time the asessment is due. A successor in title to a Unit shall not be personally obligated to pay any unpaid assessments for common expenses which have been levied against a Unit unless such successor in title expressly assumes the payment of the same. Provided, however, any lien encumbering a Unit as above described shall not be affected by transfer of a Unit.

The Developer shall not be be required to expend from its own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Elements, and no Unit owned by the Developer shall be assessed for common expenses, or otherwise, until ninety (90) days after completion of construction of such Unit. This paragraph of Section 10, Subsection (a), may not be modified or amended without the unanimous written consent of all Unit Owners.

(b) Enforcement. In the event any Unit Owner fails to maintain his Unit, or the Limited Common Elements attributable to such Unit, or in the event any Unit Owner fails to pay his proportionate share of any common expense when such is due, then in any such event the Board may after ten (10) days' notice to the defaulting Unit Owner, perform such maintenance, advance and pay such sums, or do any other reasonable act necessary to cure such default. The Association shall have a lien against the Unit of the defaulting Unit Owner securing payment of the sums expended or advanced, and shall be entitled to enforce such lien by filing suit in a court of competent jurisdiction. In the event the Association is successful in such suit, it shall be entitled to recover reasonable attorney fees and costs incurred in such suit and enforcement of its rights.

(c) Mortgage and Deed of Trust Protection. The lien for common expenses payable by a Unit Owner shall be subordinate to the lien of a recorded mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the mortgageee or beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its mortgage or deed of trust. This subparagraph (c) shall not be amended, changed, modified or rescinded without the prior written consent of all mortgagees and deed of trust beneficiaries of record.

(d) Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Unit by Developer to an Owner, the maximum annual assessment shall be Six Hundred and no/100 ($600.00) Dollars per Unit.

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

(ii) From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased in any one year above five percent (5%) by a vote of two-thirds (2/3) of the votes of Unit Owners.

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

(e) Special Assessments. In addition to the annual assessments for common expenses authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of an construction, reconstruction, repair or replacement of capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Unit Owners.

11. Mortgages and Deeds of Trust. Each Unit Owner shall have the right, subject to the provisions herein, to make separate mortgages and deeds of trust for his respective Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create, or cause to be made or created, from the date hereof, any mortgage, deed of trust or other lien on or affecting the Property or any part thereof, except only to the extent of his own Unit and the respective percentage interest in the Common Elements corresponding thereto.

12. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that such taxes for any year are not separately taxed to each Unit Owner, but rather are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements, and, in said event, such taxes shall be a common expense.

13. Insurance. The Board shall have the authority to and shall obtain insurance for the Property and Common Elements, exclusive of the additions within, improvements to and decorating of the Units by the Unit Owners, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Common Elements and the Units, and against such other hazards and for such amounts as the Board may deem advisable. Such insurance shall, if possible, include all or any portion of all Limited Common Elements. Insurable replacement cost shall be deemed to be the cost of restoring the Common Elements, Units or any part thereof to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board of the Association, as the trustee for each of the Unit Owners in direct ratio to said Unit Owner's respective percentage of ownership in the Common Elements, as set forth in the Master Deed, and for the holders of mortgages and deeds of trust on his Unit, if any. The insuror against individual Unit Owners. The premium 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 Unit and his corresponding percentage of ownership in the Common Elements.

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

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of the Buildings are destroyed or damaged by fire or other casualty, as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners and their mortgagees, the insurance proceeds shall be delivered to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the respective interests of the Unit Owners, as computed by dividing the square footage of each Unit by the total square footage of all Units taken together; and the Board, as soon as reasonably possible and as agent for the Unit Owners, shall sell the Property, in its thence condition, free from the effect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale and the net proceeds of all insurance policies shall thereupon be distributed to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the percentage interest of each Unit Owner in the Common Elements. If the Board fails to consummate a sale pursuant to this paragraph within twenty-four (24) months after the destruction or damage occurs, then the Managing Agent, or the Board, shall, or if they do not, any Unit Owner or Mortgagee may, record a sworn Declaration setting

forth such decision and reciting that under the provisions of this Master Deed the prohibition against judicial partition provided for in this Master Deed has terminated and that judicial partition of the Property may be obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, this Declaration shall terminate.

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, mortgagees of record, if any, the Association, its officers, directors, Board and employees, the Developer, 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. The Board shall retain in safekeeping any such public liability policy for six (6) years after the expiration date of the policy.

The Board shall also have authority to and may obtain such insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Property and each member of the Board and officers of the Association, and members of any committee appointed pursuant to the Bylaws of the Association from liability arising from the fact that said person is or was director or officer of the Association, or a member of such a committee.

Each Unit Owner shall be responsible for obtaining his own insurance on the contents of his own Unit, as well as his additions and improvements thereto, decorations, furnishings and personal property therein, and personal property stored elsewhere on the Property. In addition, in the event a Unit Owner desires to insure against his personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Unit Owners as part of the common expenses, as above provided, said Unit Owner may, at his option and expense, obtain additional insurance.

14. Maintenance, Repairs and Replacements. Each Unit Owner, at his own expense shall furnish and be responsible for all maintenance of, repairs to and replacements within his own Unit. Provided, however, the Board may choose to provide such maintenance and repairs as part of the common expense. Maintenance of, repairs to and replacements within the General Common Elements shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to and replacements within the General Common Elements shall be part of the common expenses, subject to the Bylaws, rules and regulations of the Association. To the extent not covered by the Association's insurance, the expenses for the maintenance, repair or replacement of Limited Common Elements shall be borne by the owner of the Unit to which such Limited Common elements are appurtenant and at the discretion of the Board, maintenance of, repairs to and replacements within the other Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby, and, further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to and replacement within the Limited Common Elements to arrange for such maintenance, repairs and replacement in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractors' and subcontractors' sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

Not withstanding anything hereinabove to the contrary, individual Unit Owners shall be responsible for maintaining any fence erected behind any Unit, and the area encompassed by such fence. Additional fences may only be erected upon the approval of the Board and in accordance with any and all rules and regulations as to location, type and materials of construction, height and otherwise.

If due to the act or neglect of a Unit Owner, or of his agent, servant, tenant, family member, invitee, licensee or household pet, damage shall be

caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repair or replacement are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repair and replacements, as may be determined by the Association, to the extent not covered by the Association's insurance or sufficient proceeds are not collected from the insurance carrier.

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

15. Alterations, Additions or Improvements. Except as provided in paragraph 19 herein, no alteration of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses alterations, additions and improvements of the Common Elements as provided in the Bylaws. Any Unit Owner may make alterations, additions or improvements within the Unit of the Unit Owner without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

16. Decorating. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his own Unit and Limited Common Elements serving his Unit as may be required from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floor and ceilings of his Unit, and such Unit Owner shall maintain said interior surfaces in good condition at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, but each such Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. Decorating of the Common Elements and Limited Common Elements (other than interior surfaces within the Units as above provided) and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the common expenses.

17. Encroachments and Easements. If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements, or if any Unit shall actually encroach upon another Unit, as the Common Elements and Units are shown by the Plat, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments, so long as the same shall exist.

The Association shall have the right to grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the horizontal property regime.

18. Association's Right to Purchase at a Foreclosure Sale. The Board shall have the power and authority to bid and purchase, for and on behalf of any Unit, or interest therein, at a sale pursuant to a deed of trust or mortgage foreclosure, a foreclosure of the lien for common expenses under the Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of Unit Owners owning not less than three-fifths (3/5) of the total votes of the Unit Owners. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid and pay for said Unit.

The Board shall have authority to make such mortgage arrangements and special assessments proportionately among the respective Unit Owners, and other such financing arrangements as the Board may deem desirable, in order to close and consummate the purchase or lease of a Unit, or interest therein, by the Association. However, no such financing arrangement may be secured by an encumbrance on any interest in the Property other than the Unit, or interest therein, to be purchased or leased, and the percentage interest in the Common Elements appurtenant thereto.

19. Use and Occupancy Restrictions. Subject to the provisions of the Bylaws, no part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed and as allowed by municipal zoning laws. Each Unit or any two or more adjoining Units used together shall be used as a residence or such other use permitted by this Master Deed, and for no other purposes except that professional and quasi-professional people may use their residence (not in violation of municipal zoning laws) as an ancillary or secondary facility to an office established elsewhere. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restrictions or municipal zoning law.

The Common Elements shall be used only by the Unit Owners and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Units and for such other purposes incidental to use of the Units; provided, however, that any areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

20. Remedies. In the event of any violation of the provisions of the Act, Master Deed, Bylaws or rules and regulations of the Board or Association by any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) the Association, or its successors or assigns, or the Board, or its agent, shall have each and all of the rights and remedies which may be provided for in the Act, Master Deed, Bylaws, or said rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceeding against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to sell the Unit through judicial process as provided hereinbefore, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of ten (10%) percent per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for nonpayment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property, provided, however, that such lien shall subordinate to the lien of a recorded mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of said common expenses which become due and payable from and after the date on which the said mortgage or deed of trust owner of holder either takes possession of the Unit, accepts a conveyance of any interest therein (other than as a security) or files suit to foreclose its mortgage or deed of trust, in the event of such default by any Unit Owner, the Board and the manager or Managing Agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed

against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgage and deed of trust liens against Units in the Building.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any convenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Master Deed; (a) to enter (either peaceably or forceably without liability to such Unit Owner for such entry) upon the Unit, or any portion of the Property upon which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession (either peaceably or forceably without liability to such Unit Owner for such entry) of such Unit Owner's interest in the Property and to maintain an action for possession of such unit in the manner provided by law.

If any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate the Act, or any of the covenants or restrictions or provisions of this Master Deed or the regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Owner a notice in writing terminating the rights of the said defaulting Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Property shall be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall enjoin and restrain the said defaulting Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed.

In addition to the other remedies provided for herein, in the event of a default by a Unit Owner in the payment of such Unit Owner's respective share of the common expenses which default continues for a period of ninety (90) days, the board shall have the power and authority to place such Unit Owner's name on a list of delinquent Unit Owners, which list may be posted at a place designated by the Board for notices.

21. (a) Amendments Annexing Additional Phase or Phases. The Developer may, but shall not be obligated to, incorporate additional lots and additional area adjacent thereto into additional phases of the horizontal property regime governed by this Master Deed. The annexation of such additional phases shall be accomplished by the execution by Developer, and recording, of an amendment

to this instrument setting forth the additional real property to be brought within the provisions of this Master Deed and reciting that it shall be held and conveyed subject to the provisions hereof as such additional phase or phases of Oakland Trace Condominiums. Such additional phases may be annexed to the horizontal property regime at any time with five (5) years from the execution of this instrument.

(b) Other Amendment. Except as specifically stated elsewhere herein, and except for this Section 21, any provisions of this Master Deed may be changed, modified or rescinded by an instrument in writing, setting forth such change, modification or rescission, signed by Unit Owners owning not less than two-third (2/3) of the total Units and acknowledged, provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument.

However, if the Act, the Master Deed or the Bylaws require the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Master Deed, then any instrument changing, modifying or rescinding any provision of this Master Deed with respect to such action shall be signed by all Unit Owners or all lien holders or both as required by the Act or this Master Deed. The change, modification or rescission, whether accomplished under the provisions of the preceding paragraph, shall be effective upon recording of such instrument in the office of the Register of Deeds of Davidson County, Tennessee; provided, however, that no provision in this Master Deed may be changed, modified or rescinded so as to conflict with the provisions of the Act.

Not withstanding the above, the Developer shall have the right to make and record any necessary amendment to this instrument for the express purpose of completion of development or as may be required to obtain FHA/VA and/or FNMA approval for the condominium development.

22. Notices. Notice provided for in the Act, Master Deed or Bylaws shall be in writing, and shall be addressed to the Association or Board, or any Unit Owner, as the case may be at , Nashville, Tennessee , or at such other address as hereinafter provided. The Association or Board may designate a different address or addressees for notices to them, respectively, by giving written notice of such change of address to all Unit Owner. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by the United State registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

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

23. Severability. If any provision of the Master Deed or Bylaws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Master Deed and the Bylaws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby and the remainder of this Master Deed or the Bylaws shall be construed as if such invalid part was never included therein.

24. Perpetuities and Restraints on Allienation. If any of the options, privileges, covenants or rights created by this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the Governor of Tennessee, Ned McWherter.

25. Rights and Obligations. Each grantee of the Developer, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, lien and charges, and

the jurisdiction, rights and powers created or reserved by this Master Deed. All future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Master Deed. Any restrictions or rules in the Bylaws which are more than administrative in nature such as, but not limited to, reservations and future rights of the Developer, are hereby incorporated into and made a part of this Master Deed 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 an interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners, tenants and Occupants of a Unit shall be subject to, and shall comply with the provisions of the Bylaws appended hereto and recorded herewith as they may be amended from time to time. The acceptance of a deed of conveyance, devise or of a lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the said Bylaws and any rules and regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Unit 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 Unit, 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 Master Deed, Bylaws and rules and regulations may be incorporated by reference in, and become part of, the agreement between any mortgagee and any present or future Unit Owner who enters into such an agreement with a mortgagee. When so incorporated, any default in the terms and conditions of the Master Deed, Bylaws and rules and regulations may be considered as a default by the mortgagee, whereupon said 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 Unit Owner.

26. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title holding trust, under the terms of which all powers of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, lien, or indebtedness and for the performance of all agreements, convenants and undertakings chargeable or created under this Declaration against such Unit. No claim shall be made against any such title holder trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, not withstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

27. Condemnation. In the event of a taking in condemnation or by eminent domain of a part of the Common elements, the award made for such taking shall be payable to the Board for and on behalf of the Association and all mortgagees affected. If a majority of the Board in their discretion, with written consent of a majority of the mortgagees affected, approve the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board and the mortgagees do not approve the repair and commence restoration of such Common Elements within one hundred twenty (120) days after taking by the public or private authority, the Board shall disburse the net proceeds of such award on the basis of such Unit's percentage of ownership in the Common Elements to the Unit Owners and the mortgagees as their interest may appear.

28. Rights Reserved. The Unit Owner's right of enjoyment in the property commonly owned by the Association as herein created shall be subject to:

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

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

(c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution, dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless the Developer (its successors or assigns) and members of the Association entitled to cast ninety percent (90%) of the total votes of members have been recorded, agreeing to such act; and

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

29. Provisions Relative to Mortgagee's Rights and to Federal Home Loan Mortgage Corporation and Federal National Mortgage Association Regulations. Notwithstanding anything to the contrary contained in this Master Deed, or in the Bylaws which are attached hereto, all terms, conditions and regulations which are now existing, or which may be amended from time to time, by the Federal Home Loan Mortgage Corporation ("FHLMC") or Federal National Mortgage Association ("FNMA") pertaining to condominiums are hereby incorporated as terms and conditions of the Master Deed and Bylaws and such shall be governing upon the Property, the Developer, and the Association, so long as such terms or conditions are not inconsistent with the laws of the State of Tennessee as found in Tennessee Code Annotated, Section 66-27-101, et seq., as amended.

Specifically, without limitation upon the foregoing, the following declarations shall be fully effective and controlling over any terms of the Master Deed or Bylaws which are in conflict. Any portions of such Master Deed or Bylaws which are in conflict with this paragraph, or any portion of the FHLMC and FNMA regulations pertaining to condominiums, are hereby deleted and the following rights of mortgagees are itemized as follows:

(a) A first mortgagee, and any insurer or guarantor of any mortgage or deed of trust, under a condominium Unit at his request is entitled to a financial statement of the Association for the preceeding fiscal year.

(b) Any first mortgagee, or other transferee, of a condominium Unit who comes into possession of the Unit pursuant to the remedies provided in the mortgage, deed of trust, foreclosure of the mortgage or deed of trust, or deed in lieu of foreclosure shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit, which accrue prior to the time such holder comes into possession of the Unit.

(c) Unless two-thirds (2/3) of the first mortgagee (based upon one (1) vote for each mortgage owned), or owners (other than the Developer) of condominium Units have given their prior written approval, the Association shall not be entitled to:

(i) Change the percentage interests of ownership of all or any condominium Unit or Unit Owners, except that percentage ownership of the Common Elements may be reduced due to the addition of a phase or phases to the horizontal property regime as provided hereinabove.

(ii) Partition or subdivide any Unit or the Common Elements.

(iii) By act or omission seek to abandon the horizontal property regime of the Property, or encumber, sell or transfer the Common Elements, except for the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements.

(iv) Use hazard insurance proceeds for losses to any condominium Property (whether to individual Units or Common Elements) for

other than the repair, replacement, or reconstruction of such improvements, except as provided in Tennessee Code Annotated, Section 66-27-118, in case of substantial loss to the Units and/or Common Elements to the condominium project.

(d) Unit Owners, first mortgage holders, and insurers or guarantors of any first mortgage shall have the right to examine the books, records, current copies of the Master Deed and Bylaws, and rules and regulations of the Association and/or the condominium project during normal business hours and upon request.

(e) An adequate reserve fund for maintenance, repair and replacement of Common Elements which must be replaced on a periodic basis will be established and funded by regular monthly payments rather than by special assessments. A working capital fund for the initial months of operation equal to at least two (2) months' assessments for each Unit must be established, collected and transferred to the Association at the time of closing of sale by the Developer of each Unit and maintained in an account for the use and benefit of the Association.

(f) As set forth in Tennessee Code Annotated, Section 66-27-120, all taxes, assessments and charges which may become liens prior to the first mortgage under the laws of the State of Tennessee shall relate only to the individual condominium Unit and not to the condominium project as a whole.

(g) No Unit Owner, or any other party shall have priority over any right of the first mortgagees of condominium Units and/or Common Elements.

(h) Any agreement for professional management of the condominium project, whether it be by the Developer, its successors and assigns, or any other person or entity, may be terminated on ninety (90) days' written notice and the terms of any such contract shall so provide and shall not be a duration in excess of three (3) years. Prior to passage of control from the Developer, the Association shall not be bound, directly or indirectly, to contracts or leases unless there is a right of termination of such upon not more than ninety (90) days' notice without penalty.

(i) Upon written request, the Association shall give to any mortgagee of a Unit, the FHLMC, FNMA, any lending institution servicing agent servicing such mortgages as are acquired by the FHLMC or FNMA, or any insurer or guarantor of a mortgage of deed of trust on a Unit, timely notice in writing of any loss to or the taking of the Common Elements of the condominium project if such loss or taking exceeds Ten Thousand and no/100 Dollars ($10,000.00), or if any other condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage, a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, or any proposed action that requires the consent of a specified percentage of mortgagees. The Association may rely upon the information contained in the book entitled "Mortgages of Units" as must be established pursuant to the Bylaws, for a list of mortgagees to be notified hereby.

(j) The interest of a first mortgagee in a mortgaged Unit shall be superior to the interests of any other person, group, partnership, corporation or entity of any kind, including any interest the Board the Developer or any Unit Owner may have in any portion of the premises, regardless of the nature of the interest or the manner in which it is acquired.

(k) Notwithstanding the above, any first mortgagee shall have all of the rights granted to a first mortgagee herein, and in addition shall have all of the rights granted to an institutional first mortgagee under its Deed of Trust, and under the laws of the State of Tennessee.

(l) A first mortgagee of a Unit Owner, upon written request, is entitled to written notification from the Association of any default in the performance by such Unit Owner of any obligation under this Master Deed and/or Bylaws which is not cured within sixty (60) days.

(m) The casualty and liability insurance and fidelity bond coverage required to be maintained by the Association shall meet the requirements specified in FNMA Lending Guide, Chapter Three, Part 5, "Insurance Requirements."

30. Common open space. Any common open space established by an adopted final master development plan for planned unit development shall be subject to the following:

(a) The Metropolitan Planning Commission and the Metropolitan County Council may require that the landowner provide for and establish an organization for the ownership and maintenance of any common open space, and such organization shall be be dissolved nor shall it dispose of any common open space, by sale or otherwise (except to an organization conceived and established to own and maintain the common open space), without first offering to dedicate the same to the Metropolitan Government of Nashville and Davidson County and the said dedication be approved by the Metropolitan Planning Commission. However, the conditions of any transfer shall conform to the adopted final master development plan.

(b) In the event that the organization established to own and maintain common open space, or any successor organization, shall at any time after the establishment of the planned unit development fail to maintain the common open space in reasonable order and condition in accordance with the adopted master development plan, the zoning administrator may serve notice upon such organization and/or the owners or residents of the planned unit development and hold a public hearing. After thirty (30) days when deficiencies of maintenance are not corrected, the zoning administrator shall call upon any public or private agency to maintain the common open space for a period on one year. When the zoning administrator determines that the organization is not prepared for the maintenance for the common open space such agency shall continue to maintain for yearly periods.

(c) The cost of such maintenance by such agency shall be assessed proportionally against the properties within the planned unit development that have a right of enjoyment of the common open space, and shall become a lien on said properties.

31. Dedication of public facilities. The Metropolitan Planning Commission and the Metropolitan City Council may, as a condition of approval and adoption and in accordance with the master development plan, require that suitable areas for streets, public rights-of-way, schools, parks, and other public areas to be set aside, improved, and/or dedicated for public use.

IN WITNESS WHEREOF, the undersigned has executed this Master Deed this 1st day of March, 1988.

C & T Development Company, Inc.

BY: _____

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared C.W. Tidwell, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence) and who upon his oath acknowledged himself to be the President of C & T Development Company, Inc., the within-named bargainor, a corporation, and that he as such President, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by the said C.W. Tidwell as such President.

Witness my hand and official seal at Nashville, Tennessee, this 1st day of March, 1988.

Valerie H. Elder
Notary Public

My Commission Expires: May 13, 1990

VALERIE H. ELDER NOTARY PUBLIC DAVIDSON COUNTY

A tract of land in the Second Civil District of Metropolitan Nashville, Davidson County, Tennessee, being lot no. one as shown on the recorded plat of Oakland Trace Subdivision, Phase III, as of record in Book 6900, page 454, Register's Office for Davidson County, Tennessee, and being more fully described as follows:

BEGINNING at an existing iron pin on the east right-of-way line of Briarville Road (55' right-of-way) at the southerly end of the southeast return curve at the intersection of Briarville Road and Lewis Road (50' right-of-way); thence,

1. With a 25-foot radius curve to the right, northwardly a distance of 38.95 feet to an existing concrete monument, said curve has a chord bearing and distance of North 52° 19' 14" East, 35.13 feet; thence,
2. With the south right-of-way of Lewis Road, South 83° 02' 33" East a distance of 268.57 feet to an existing concrete monument at the westerly end of the southwest return curve at the intersection of Lewis Road and Royal Street (50' right-of-way); thence;
3. With a 25-foot radius curve to the right, southwardly a distance of 39.46 feet to an existing iron pin, said curve has a chord bearing and distance of South 37° 49' 33" East, 35.49 feet; thence,
4. With the right-of-way line of Royal Street, South 07° 23' 27" West, a distance of 324.12 feet to an existing iron pin at the north end of the northwest return curve at the intersection of Royal Street and a 25-foot right-of-way dedication strip; thence,
5. With a 25-foot radius curve to the right, southwardly a distance of 39.08 feet to an existing iron pin, said curve has a chord bearing and distance of South 52° 10' 27" West, 35.22 feet; thence
6. With the North line of said 25-foot right-of-way dedication strip, North 83° 02' 33" West, a distance of 270.22 feet to an existing iron pin at the east end of the northeast return curve at the intersection of said 25-foot right-of-way dedication strip and Briarville Road; thence,
7. With a 25-foot radius curve to the right, northwardly a distance of 39.59 feet to an existing iron pin, said curve has a chord bearing and distance of North 37° 40' 46" West, 35.58 feet; thence,
8. With the east right-of-way of Briarville Road, North 7° 41' 01" East, a distance of 324.14 feet to the point of beginning and containing 118,950 square feet or 2.730 acres more or less.

Being Parcel 78 on Tax Map No. 51-10 and,

BEING the same property conveyed to C & T Development Company, Inc. by Quitclaim Deed from Oakland Commons Partnership of record in Book 7372, page 221, Regiter's Office for Davidson County, Tennessee.

EXHIBIT "B"

BYLAWS

OF

OAKLAND TRACE CONDOMINIUM HOMEOWNERS ASSOCIATION

PHASE III

Members (Unit Owners)

Section 1. Eligibility. The members of the Oakland Trace Condominium, Phase III, Homeowners Association, a Tennessee not-for-profit corporation, shall consist of the respective Unit Owners of the Oakland Trace Condominiums, Phase III (the "Property"), in accordance with the respective percentages of ownership interest in the Common Elements of the Property owned by the respective Unit Owners. These and other terms are used in these Bylaws as they are defined in the Master Deed for Oakland Trace Condominium, Phase III, which Master Deed is recorded in the office of the Register's of Deeds of Davidson County, Tennessee. The words "member" or "members" as used in these Bylaws mean and shall refer to "Unit Owner" or "Unit Owners," as the case may be, as defined in the Master Deed. If a Unit Owner is a trust, then the member shall be the beneficiary of such trust.

Section 2. Succession. The membership of each Unit Owner shall terminate when he ceases to be a Unit Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be tramsferred to the new Unit Owner succeeding to such ownership interest.

Section 3. Regular Meetings. The first regular annual meeting of Unit Owners (the "First Meeting") may be held, subject to the terms hereof, on any date, at the option of the Board, provided, however, that said First Meeting shall be held not less than thirty (30) days and not more than one hundred twenty (120) days after Developer has sold and delivered its deed for at least three-fourths (3/4) of all Units at any time brought under the provisions of the Master Deed, but in any event not later than five (5) years following conveyance of the first Unit by Developer. Subsequent to the First Meeting, there shall be a regular annual meeting of Unit Owners held each year within fifteen (15) days after the end of each fiscal year of the Association. All such meetings of Unit Owners shall be held at such place in Davidson County, Tennessee, and at such time as specified in the written notice of such meeting which shall be delivered to all Unit Owners at least ten (10) days prior to the date of such Meeting.

Section 4. Special Meetings. Special meetings of the Unit Owners may be called by the President or by a majority of the directors of the Board, or by Unit Owners having at least three-fifth (3/5) of the votes entitled to be at such meeting. Said special meetings shall be called by delivering written notice to all Unit Owners not less that ten (10) days prior to the date of said meeting, stating the date, time and place of said special meeting and the matters to be considered.

Section 5. Delivery of Notice of Meetings. Notices of meetings may be delivered either personally or by mail to a Unit Owner at the address given to the Board by said Unit Owner for such purpose, or to the Unit Owner's Unit, if no address for such purpose has been given to the Board.

Section 6. Voting. The aggregate number of votes of all Unit Owners shall be equal to the total of all Units which are subject to the Master Deed, and shall be divided among the respective Unit Owners with one (1) vote allocated to each Unit. If any Unit Owner consists of more than one (1) person, the voting rights of such Unit Owner shall not be divided but shall be exercised as if the Unit Owner consisted of only one (1) person in accordance with the proxy or other designation made by the persons constituting such Unit Owner. The Developer may exercise the voting rights with respect to Units owned by him.

No Unit Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote hereunder until he has cured such default. A Unit Owner shall be deemed to be in default if he has not paid his assessments to the Board, or their agent, within ten (10) days after the date such assessments are due. A Unit Owner may protest the amount of the assessment, but it still must be paid during the pendency of the protest to the Board.

Section 7. Quorum. A quorum of Unit Owners for any meeting shall be constituted by Unit Owners represented in person or by proxy and holding a majority of the votes entitled to be cast at such meeting.

ARTICLE II

Board of Directors

Section 1. Number, Election and Term of Office. The Board of Directors of the Association (referred to in the Horizontal Property Act of the State of Tennessee as the "Board of Administrators," and sometimes referred to herein as the "Board") shall consist of five (5) members (hereinafter referred to as "directors"). Directors shall be elected at the regular annual meeting of Association members by the vote of Unit Owners as hereinafter provided, except that the Developer shall appoint the interim Board of directors ("Interim Board") until the First Meeting. At the First Meeting the Unit Owners shall among other business elect four (4) members of the first Board of Directors ("First Board") and the mortgagee holding the largest number of mortgages or trust deeds on Units shall be entitled to appoint of of its officers to be a Board member. Those candidates for election as director receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected. Directors, except for members of the First Board, Interim Board, and the member appointed by the mortgagee shall hold office for the term of two (2) years and until his or her successor shall be elected and qualified. Two (2) members of the First Board shall hold office until the second regular annual meeting of Association members, one (1) member of the First Board shall hold office until the third regular annual meeting of Association members, and one (1) member of the First Board shall hold office until the fourth regular annual meeting of Association members. The member appointed by the mortgagee shall hold office at the pleasure of the mortgagee.

Section 2. Qualification. Except for members of the Interim Board, and the director appointed by the mortgagee, each director shall be a Unit Owner or the spouse of a Unit Owner (or, if a Unit Owner is a trustee of a trust, a director may be a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, a director may be an officer, partner or employee of such Unit Owner or beneficiary). If a director shall cease to meet such qualifications during his term, he shall cease to be a director and his place on the Board shall be deemed vacant.

Section 3. Vacancies. Any vacancy occurring in the Board shall be filled by majority vote of the remaining members thereof. Any director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the director which he succeeds. In the event the mortgagee holding the largest number of mortgages or deeds of trust on Units does not desire to appoint a director, the Board shall by majority vote fill such vacancy for a term of one (1) year at a time.

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

Section 5. Removal. Any director may be removed from office for cause by the vote of three-fifth (3/5) of the total vote of the Unit Owner.

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

Section 7. Quorum. Three (3) directors shall constitute a quorum.

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

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

(b) to administer the affairs of the Association and the Property;

(c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer and operate the Property or any part thereof for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that the First Board, appointed as provided herein, shall ratify and approve the Management Agreement between the Developer, on behalf of the Association, and a management corporation, to act as Managing Agent for the Property; provided further, that the Board shall not have the authority to adopt any form of management of the Property which excludes professional management by an independent agent;

(d) to formulate policies for the administration, management and operation of the property and the Common Elements thereof;

(e) to adopt rules and regulations, with written notice thereof of all Unit Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;

(f) to provide for the maintenance, repair, and replacement of the Common Elements and payments therefor, and to approve payment vouchers or to delegate such approval to the officers or the manager or Managing Agent;

(g) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the Managing Agent (and any such employees or other personnel who may be the employees of a Managing Agent);

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

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

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

(k) unless otherwise provided herein or in the Master Deed, to comply with the instructions of a majority of the Unit Owners (as said majority is defined in paragraph 1(j) of the Master Deed), as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners;

(l) to exercise all other powers and duties of the board of managers or Unit Owners as a group referred to in the Horizontal Property Act of the State of Tennessee and all powers and duties of a board of managers or a board of directors referred to in the Master Deed or these Bylaws.

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

ARTICLE III

Officers

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

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

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

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

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

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

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

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the remaining members thereof at a special meeting of said Board. Any director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of three-fifths (3/5) of the total members of the Board at a special meeting thereof.

Section 5. Compensation. The officers shall receive no compensation for their services as officers, unless expressly provided for in a resolution duly adopted by the Unit Owners.

ARTICLE IV

Assessments

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

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Unit Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one-twelth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective ownership interest in the Common Elements as set forth in the Master Deed. In the event that

the Board shall not approve as estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the Managing Agent or as may be otherwise directed by the Board. No Unit Owner shall be relieved of his obligation to pay his assessment by abandoning or not using his Unit, the Common Elements, or the Limited Common Elements.

Section 3. Partial Year or Month. For the first fiscal year and thereafter until the First Boad is elected, the annual budget shall be approved by the Interim Board. If such first fiscal year, or any succeeding fiscal year, shall be less that a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his Unit, each Unit Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be computed by the Board.

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

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

Section 6. Expenditues. Except for the Management Agreement described in Article II, Section 8(c) hereof and expenditures and contracts specifically authorized by the Master Deed and Bylaws, the Board shall not approve any expenditure in excess of Five Thousand and no/100 ($5,000.00) Dollars unless required for emergency repair, protection or operation of the Common Elements or Limited Common elements, nor enter any contract for more than three (3) years without the prior approval of three-fifths (3/5) of the votes of the Unit Owners.

Section 7. Lien. It shall be the duty of every Unit Owner to pay his proportionate share of the common expenses and limited common expenses, as provided in the Master Deed, and as assessed in the manner herein provided.

If any Unit Owner shall fail or refuse to make any such payment of the common expenses or limited common expenses when due, the amount thereof, together with interest thereon at the rate of ten percent (10%) per annum or such greater percentage as may then be permitted under the laws of the State of Tennessee after said common expenses become due and payable, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Unit Owner in the Property, provided, however, that such lien shall be subordinate to the lien of a recorded mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses and limited common expenses which are due and payable from and after the date on which such mortgage owner or holder either takes possession of the Unit, accepts a conveyance of any interest therein (other than as security), or files suit to foreclose its mortgage or deed of trust. The provisions of this paragraph of this Section 7 shall not be amended, changed, modified or rescinded in any way without the prior written consent of all such lien holders of record.

The Association or its successors and assigns, or the Board or its agents, shall have the right to enforce the lien as provided in the Master Deed, and there shall be added to the amount due the costs of any suit maintained to enforce the lien and other fees and expenses, together with legal interest and reasonable attorneys' fees to be fixed by the Court. Furthermore, if any Unit Owner shall fail or refuse to pay when due his proportionate share of the common expenses or limited common expenses and such Unit Owner withholds

possession of his Unit after demand by the Board or the Association in writing setting forth the amount claimed, the Board or the Association shall have the right to possession of such Unit. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Horizontal Property Act, the Master Deed or these Bylaws, or as are otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 8. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Elements and Limited Common Elements, specifying and itemizing the common expenses and limited common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine.

The Board shall, upon receipt of ten (10) days' written notice to it or the Association and upon payment of a reasonable fee, furnish to any Unit Owner a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

Section 9. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Unit ownership. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorney's fees, incurred by reason of such lien.

Section 10. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners.

ARTICLE V

Use and Occupancy Restrictions

Section 1. General. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others.

Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements. No Unit Owner shall display, hang, store or use any clothing, sheets, blankets, laundry, or other articles outside his Unit, or which may be visible from the outside of his Unit (other than draperies, curtains, or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of his Unit, or install outside his Unit any canopy or awning, or outside radio or television antenna, or Citizens Bank radio transmitters, or other equipment, fixtures or items of any kind, without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's discretion. The foregoing restrictions as to use and occupancy shall not be construed to prohibit a Unit Owner from placing and maintaining outdoor furniture and decorative foliage of a customary nature and appearance on a patio which is a Limited Common Element appurtenant to his Unit. No owner of a Unit shall display, hang, store or use any sign outside his Unit, in a hallway or elsewhere, or which may be visible from the outside of his Unit without the prior written permission of the Board of the written permission of the Managing Agent, acting in accord with the Board's discretion.

No structure of a temporary character, trailer, motor home, boat, tent, shack, garage, barn, or other out-buildings shall be permitted on the Property at any time, temporarily or permanently, except with the prior written consent of the Board; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Buildings or any portion thereof.

Section 2. Animals. No animals shall be raised, bred, or kept in any Unit, except for dogs, household cats and small birds owned as household pets by a Unit Owner, provided that said pet is not kep for any commercial purpose, and provided that said pet shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted or approved by the Board, and provided that said pet shall not in the judgment of the Board constitute a nuisance to others.

All dogs owned by Unit Owners and kept in a Unit shall be on leash while outside the Unit. All such dogs shall be exercised by the Owner at places on the Property which do not interfere with the use and enjoyment of the same by other Owners. An Owner shall be responsible for all damage to Common Areas caused by said Owner's dog.

Section 3. Trash. Trash, garbage and other waste shall be kep only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in rules and regulations of the Board.

Section 4. Use by Devloper. During the period of sale by the Developer of any Units, the Developer, and said Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from said Buildings and Property as may be required for purposes of said sale of Units. While the Developer owns any of the Units and until each unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use on or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

Section 5. Storage. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kep in common areas. Storage of boats, trailers, campers, and motor homes on the Property shall not be permitted.

Section 6. Wiring. No Unit Owner shall overload the electrical wiring in a Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the prior written consent of the Managing Agent, given in accord with the Board's direction.

ARTICLE VI

Contractual Powers

No contract or other transaction between the Association and one or moreof its directors or between the Association and any corporation, firm or association in which one or more of the directors of the directors of the Association are directors, or are financially interested, is void or voidable because such director or directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) the fact of the common directorship of financial interest is disclosed or known to the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such director or directors; or

(b) the contract or transaction is just and reasonable as to the corporation at the time it is authorized or approved.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

ARTICLE VII

Amendments

These Bylaws may be amended or modified from time to time by action or approval of two-thirds (2/3) of the Unit Owners casting one (1) vote for each Unit owned, as provided in Article I, Section 7 of these Bylaws. Such amendments shall be recorded in the office of the Register of Deeds of Davidson County, Tennessee.

ARTICLE VIII

Indemnification

Section 1. General. The Association shall indemnify and hold harmless each of its directors and officers, each member of any committee appointed pursuant to the Bylaws of the Association, and the Board and Developer, against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, committee members or Developer, on behalf of the Unit Owners, or arising out of their status as directors, Board, officers, committee members or Developer, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such director, officer, Board, committee member or Developer may be involved by virtue of such persons being or having been such director, officer, Board, committee member, or Developer; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suite or proceeding to be liable for gross negligence or fraud in the performance of his duties as such directors, officer, Board, committee member, or Developer, or (b) any matter settled or compromised, unless in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties as such director, officer, Board, committee member, or Developer.

Section 2. Success on Merits. To the extent that the Developer or a member of the Board of directors or an officer of the Association or a member of any committee appointed pursuant to the Bylaws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (inclusing attorneys' fees) actually and reasonably incurred by it in connection therewith.

Section 3. Advance Payments. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article VIII.

Section 4. Miscellaneous. The Association and the Board shall have the power and responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article, provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the directors, Board, officers, members of such committee, or Developer, or out of the aforesaid indemnity in favor of the directors, Board, officers, members of such committees, or Developer, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Every agreement made by the directors, Board, officers, members of such committees, Developer or by the Managing Agent on behalf of the Unit Owners shall provide that the directors, Board, officers, member of such committees, Developer or by the Managing Agent on behalf of the Unit Owners shall provide that the directors, Board, officers, members of such committees, Developer or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners and shall have not personal liability thereunder (except as

Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be developer or a member of the Board of Directors, officer of the Association or a member of such committee, and shall insure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE IX

Mortgages

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

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

Section 3. Notice of Default. The Board, when giving notice to a Unit Owner of a default in paying common charges or other default, shall send a copy of such notice each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board.

Section 4. Examination of Books. Each Unit Owner shall be permitted to examine the books and records of the Association, currnet copies of the Master Deed and Bylaws, and rules and regulations of the Condominiums during normal business hours and upon request.

Section 5. Interest of Valid First Mortgagee. The interest of a valid first mortgagee shall be superior to the interest of the Board in the event of a default, and nothing in this instrument shall be construed to the contrary. If the first mortgagee has incorporated the terms of these Bylaws, the Master Deed and the contract in its deed of trust, then said first mortgagee may at its option declare a default in its deed of trust by reason of any default hereunder, and may proceed to enforce its rights according to the terms of the deed of trust notwithstanding any enforcement instituted by the Board.

ARTICLE X

Definition of Terms

The terms used in these Bylaws, to the extent they are defined herein, shall have the same definition as set forth in the Master Deed for the horizontal property regime known as Oakland Trace Condominiums, Section III, as such may be amended from time to time, which Master Deed is recorded in the office of the Register of Deeds of Davidson County, Tennessee.

The term "member" as used in these Bylaws, means "Unit Owner" as defined in the Master Deed.

ARTICLE XI

CONFLICTS

These Bylaws are set forth to comply with the requirements of Chapter 27 of Title to 66, Tennessee Code Annotated, as it may be amended from time to time, and to allow the Bylaws to control specific situations where such law allows. In case any of the Bylaws conflict with the provisions of said statute or of the Master Deed, the provisions of said statute or of the Master Deed, as the case may be, shall control.

The undersigned hereby certified that the foregoing Bylaws were duly adopted as the Bylaws of Oakland Trace, Phase III, Homeowners Association.

Dated this 1st day of March, 1988.

C & T DEVELOPMENT COMPANY, INC.

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, the undersigned, a Notary Public in an for said County and State, the within named C.W. Tidwell, the bargainor, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand and official seal at Nashville, Tennessee, this 1st, day of March, 1988.

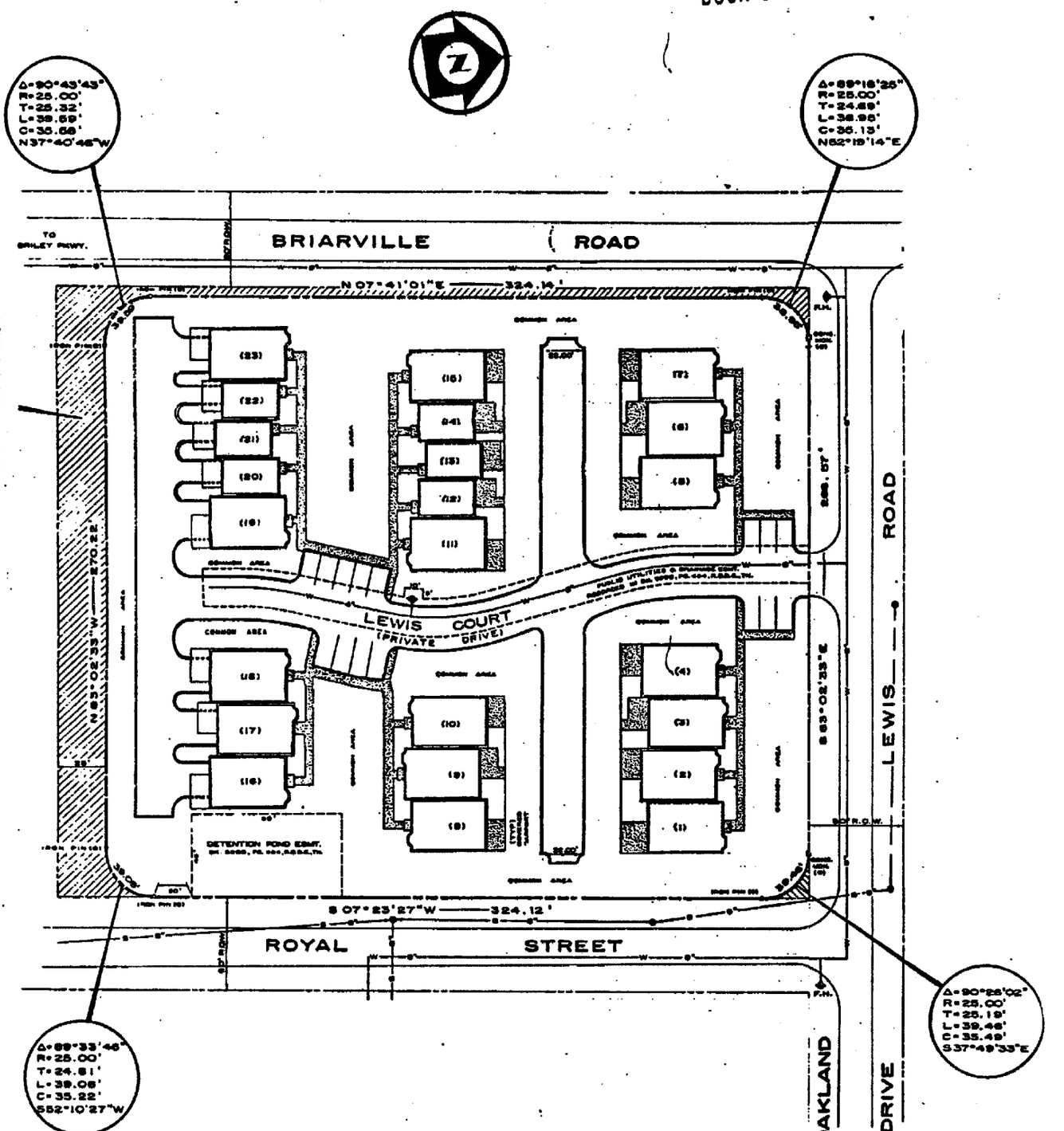
Valerie G. Elder
Notary Public

My Commission Expires: May 13, 1990

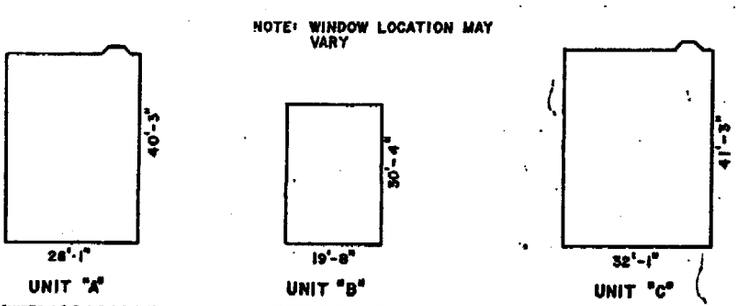


EXHIBIT "C"

BOOK 7506 PAGE 650



NOTE: WINDOW LOCATION MAY VARY



CONDOMINIUM PLAT

OAKLAND TRACE - PHASE III

SECOND CIVIL DISTRICT - METROPOLITAN NASHVILLE - DAVIDSON CO., TENN.

DATE: 2-2-88 JOB NO.: 87-016

W.O. 2488