Mail

This Instrument Prepared By:
Blankenship and Blankenship
815 South Church Street
Murfreesboro, TN 37130

BOOK 7718 PAGE 418

MASTER DEED AND DECLARATION

OF COVENANTS, CONDITIONS, AND RESTRICTIONS

THIS MASTER DEED AND DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, hereinafter sometimes referred to as the "Master Deed" or "Declaration," set forth by and entered into this 24th day of September, 1988, by H M PROPERTIES, INC., a Tennessee corporation, hereinafter sometimes referred to as the "Developer," and hereinafter sometimes referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Developer is the legal title holder of real estate located on McGavock Pike in Nashville, Davidson County, Tennessee, and described on Exhibit "A" (the "Parcel") attached hereto, and to be known as Autumn Chase Condominiums, a plat of which is attached hereto as Exhibit "B"; and

WHEREAS, Developer intends to pave roads and install utilities and other improvements and Developer desires to assure the Unit Owners that the costs of such paving, utilities and improvements shall be paid; and

WHEREAS, the Developer hereby submits the property described on Exhibit "A" (the "Parcel") together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon as shown on Exhibit "B" or otherwise, and all rights and privileges belonging or in anywise pertaining thereto (hereinafter called the "Property") to the provisions of the Horizontal Property Act of the State of Tennessee;

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

ARTICLE I

DEFINITIONS AND EXPLANATIONS

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

A. "Act" means the "Horizontal Property Act" of the State of Tennessee.

B. "Association" shall mean and refer to Autumn Chase Homeowners Association, a Tennessee not-for-profit corporation, its successors and assigns.

C. "Board" means the Board of Directors of the Autumn Chase Homeowners' Association.

D. "By-Laws" means the By-Laws of Autumn Chase Homeowners Association, attached hereto as Exhibit "C" and made a part hereof, as amended from time to time. For purposes of the Act, all provisions contained in the body of this Master Deed dealing with the administration and maintenance of the Property shall be deemed to be a part of the By-Laws.

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

F. "Property" (whether singular or plural) means all the land, property, and space comprising the Parcel, and all improvements and structures erected, constructed, or contained therein or 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.

G. "Common Area" or "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, roofs, entrances and exits or communication ways.

(3) All roofs, except as otherwise herein provided or stipulated.

(4) All compartments or installations of central services such as power, light, gas, cold and hot water, refrigeration, water tanks and pumps, and the like.

(5) All garbage incinerators and, in general, all devices or installations existing for common use.

(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 Building(s) desirable or rationally of common use or necessary to the existence, upkeep, and safety of the condominium regime established by this Master Deed.

H. "Limited Common Elements" means all Common Elements contiguous to and serving exclusively a single Unit or one or more adjoining Units as an inseparable 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 the Board. Said Limited Common Elements shall include such fixtures and equipment located within or adjacent to a Unit and serving only such Unit, pipes, ducts, electrical wiring and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units, and any portions of the perimeter walls, floors and ceilings, doors, vestibules, windows, and entryways, and all associated fixtures and structures therein, as lie outside the Unit boundaries. Patios, porches, and yards as set out in Articl VII, Section 19, shall be Limited Common Elements.

I. "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in the Building, which enclosed space is not owned in common with the Unit Owners of other Units. Each Unit is numbered as shown on the Plat, and the boundaries of each Unit shall be and are the interior

surfaces of its perimeter walls, floor and ceilings, and a Unit includes both the portion of the Building 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.

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

K. "Developer" means H M Properties, Inc., 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.

L. "Declarant" means H M Properties, Inc., its successors and assigns, provided such successors or assigns are designated in writing by Declarant as a successor or assign of the rights of Declarant set forth herein.

M. "Building" means the building or buildings located on the Parcel and forming part of the Property and containing the Units. The "Building" is delineated on the Plat. When more than one building is shown on the Plat (or an amended plat, or by incremental development), then the word "Building" shall be used in the plural context.

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

O. "Person" means a natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

P. "Plat" means the plat of survey and accompanying drawings and designations of the Property attached hereto as Exhibit "B", showing the number of each Unit and expressing its area, location, and other data necessary for identification. Developer is authorized and empowered irrevocably to amend the Plat (without joinder of any Unit Owner) to reflect as-built construction, to correct mistakes, and to more clearly allocate and define Limited Common Elements and Common Elements.

Q. "Majority" or "Majority of the Unit Owners" means the owners of more than fifty percent (50%) of the

undivided membership in the Association, present and then eligible to vote. Any specific percentage of Unit Owners means that percentage of Unit Owners who in the aggregate own such specified percentage of the entire undivided membership in the Association, present and then eligible to vote.

R. "Eligible Mortgage Holder" means that holder of a first mortgage on a unit estate who has requested the Association to notify him of any proposed action which requires the consent of a specified percentage of eligible mortgage holders.

Section 2. Submission of Property to the Act. The Developer expressly intends to, and by recording this Master Deed does hereby, submit and subject the Parcel and the Property to the provisions of the Horizontal Property Act of the State of Tennessee.

Section 3. Plat. The Plat, whether recorded now or incrementally, shall set forth the numbers, areas, locations, and other data as required by the Act.

Section 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 separated into any tracts or parcels different from the whole Unit as shown on the Plat.

Section 5. Association of Unit Owners and Administration and Operation of the Property.

A. Homeowners Association. There has been or will be formed an Association having the name "AUTUMN CHASE HOMEOWNERS ASSOCIATION", a Tennessee corporation, which Association shall be the governing body for all of the Unit Owners, for the maintenance, repair, replacement, administration and operation of the Property, as provided in the Act, this Master Deed, and the By-Laws. The By-Laws for the Association shall be the By-Laws attached to the Master Deed as Exhibit "C" 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 By-Laws. 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 held and applied by it for the use and benefit of Unit Owners in accordance with the provisions of the Master Deed and By-Laws. Each Unit Owner shall be a member of the Association so long as he 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 simultaneously succeed to the former Unit Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be equal to the number of Units submitted to the Act and as shown on the Plat; subject to, however, and as modified by Article III, Section 2, herein. Each Unit Owner's respective percentage of ownership interests in the Common Elements shall be the result of a fraction, the numerator being the number of Units owned by that Unit Owner and the denominator being the number of Units submitted by Plat to the Act, whether initially or by amendment.

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 cost of such services shall be a common expense as defined in Section 9 below.

C. Initial Management Contract. The first Board, appointed as provided herein, shall ratify and approve any Management Agreement between the Association and a management corporation to act as Managing Agent for the Property for a term commencing on the date this Master Deed is recorded, which ratification and approval shall be subject to the By-Laws of the Association. Such Management Agreement/Contract shall be cancellable upon thirty (30) days' notice for good cause and upon ninety (90) days' notice for any reason.

D. Use by Developer. 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 Building 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 purchaser(s), the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units, may use one or more of such unsold or unoccupied Units 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 of such Directors, Board, Officers, or Developer, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The Unit Owners shall indemnify and hold harmless each of the Directors, Board, Officers, or Developer, and their respective heirs, executors, administrators, successors, and assigns in accordance with the By-Laws.

Section 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 By-Laws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners.

Section 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 as set out in Section 5A hereof. The percentages of ownership interests shall remain constant unless amended pursuant to the reservation set forth herein, or unless hereafter changed by recorded amendment to this Master Deed consented to in writing by the Unit Owners and first mortgagees, except for obvious scrivener's mistakes which Developer may correct without joinder of others. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners in common in accordance with their respective percentages of ownership. The ownership of each Unit shall not be conveyed separate from the percentage of 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.

Section 8. Use of the Common Elements. 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 not only each Unit Owner, but also to his agents, servants, tenants, family members, customers, invitees, and licensees. 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 alone. 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, By-Laws, and Rules and Regulations of 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 By-Laws. 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.

Section 9. Common Expenses. Each Unit Owner, including the Developer, 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 By-Laws (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. Except for his responsibilities as a Unit Owner, as provided herein, Developer shall not have any responsibility for the maintenance, repair, or replacement of any part of the Common Elements after the date this Master Deed is recorded; provided, however, in the event Developer expends any of its own funds for the repair, replacement, or maintenance of any of the Common Elements, Developer shall be entitled to a credit for such sums against any common expenses Developer may be required to pay by virtue of being a Unit Owner. Such proportionate share of the common expenses for each Unit Owner shall be in accordance with his percentage of ownership in the Common Elements. Payment of common expenses, including any prepayment thereof required by contract for a sale of a Unit, shall be in such amounts and at such times as determined in the manner provided in the By-Laws. No Unit Owner shall be exempt from payment of his proportionate share of the common expenses by waiver or non use or enjoyment of the Common 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 expenses when due, the amount thereof together with interest thereon at the rate of eighteen percent (18%) per annum, or such greater percentage as may then be permitted under the law of the State of Tennessee, 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.

Section 10. Enforcement of Lien. FOR AND IN CONSIDERATION of the privileges, protections, mutual enjoyment, and use of the Common Elements and the premises contained herein, the receipt of which is hereby acknowledged, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of said common expenses, principal, interest, and attorney fees, a lien is expressly retained by the Association on each and every Unit Owner's Unit and prorata interest in the Common Elements (referred to in this paragraph 10 as "property").

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

> Trustors agree to pay their prorata share of common expenses when due and further agree to pay all taxes and assessments thereon, general or special, and to pay them when due, and, upon demand of said trustee or the lawful owner and holder of said indebtedness, to pay, discharge, or remove any and all liens (except a first mortgage or deed of trust) which may be hereafter placed against said property and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; to keep the improvements on said property in good repair and preservation; and in case the trustee or his successors or the lawful owner and holder of said indebtedness shall hereafter be required to appear in any court or tribunal to enforce or defend the title to or possession of said property or the lien of this instrument, or to appear in any court to prove the above indebtedness, all the costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed and be payable by trustors upon demand of the trustee or lawful owner or holder of said indebtedness; and, upon failure to do any of these things, then said trustee, or the lawful owner and holder of said indebtedness may do any or all of these things, and the amounts so paid shall bear interest at the rate of eighteen percent (18%) per

annum, or at the then highest contract rate of interest then legally collectible in the State of Tennessee from the date of payment and shall be and become a part of the indebtedness secured hereby.

Now, if trustors shall pay their prorata share of common expenses aforesaid when due and pay any and all sums when due, as aforesaid, then this trust conveyance shall be of no further force or effect. But if said indebtedness, or any payment thereof, or interest thereon is not paid promptly when due, or if, failing to pay said other sums when due as herein provided, trustors fail to reimburse the trustee, or lawful owner and holder, of said indebtedness for all sums, with interest, so expended by said trustee, or lawful owner and holder, of said indebtedness within thirty (30) days from date of such payment, this trust conveyance shall remain in full force and effect, and the said trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty (20) days' notice by three (3) publications in any newspaper, daily or weekly, published in Davidson County, Tennessee, to sell said property at the front door of the Courthouse in said county to the highest bidder for cash, at public outcry, free from the equity or right (statutory or otherwise) of redemption, homestead, dower, spouse's elective share, and all other exemptions of every kind, which are hereby expressly waived; and the said trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Association may bid at any sale under this trust conveyance. The trustee may, at any time after default in the payment of any of said indebtedness, enter and take possession of said property, and shall only account for the net rents actually received by him. It is further agreed that in the event the trustee fails, before selling said property as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the trustee of a deed for said property. In case of sale hereunder, the proceeds will be applied by the trustee as follows:

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

Second, to the payment of all costs, charges and expenses of executing this con-

veyance and enforcing said lien as herein provided; also, reasonable attorney's fees for advice in the premises or for instituting or defending any litigation which may arise on account of the execution of this conveyance or the enforcement of said lien; also, the expenses of any such litigation.

Third, to the payment of all taxes which may be unpaid on said premises.

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

Fifth, the residue, if any, to be paid to trustor(s) legally entitled thereto, their order, representatives or assigns.

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

The word "trustors" when used herein shall apply to parties both singular and plural.

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

Section 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.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

A. The right of the Association (acting by and through the Board) to permit the use of and to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

B. The right of the Association (acting by and through the Board) to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

C. The right of the Association (acting by and through the Board) to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by at least two-thirds (2/3) of the Members agreeing to such dedication or transfer has been recorded.

D. The right of the Association (acting by and through the Board) to grant private access and/or private utility or drainage easements to private individuals or entities to serve neighboring properties.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment of the

Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property. Membership in the Association may not be conveyed separate from ownership in the Unit.

Section 3. Parking Rights. Ownership of each Unit not provided with on-site parking or garage shall entitle the Owner or Owners thereof to the use of not more than two (2) automobile parking spaces for each Living Unit which shall be as near as and convenient to said Living Unit as reasonably possible, together with the right to ingress and egress in and upon said parking area. The Association shall promulgate parking regulations and make parking space assignments. Owners, unless permitted in writing by the Association, shall not be allowed to use visitor parking.

Section 4. Association's Right of Entry. The authorized representatives of the Association or the Board shall be entitled to reasonable access to the individual Units as may be required in connection with the preservation of any individual Unit, or in the event of an emergency, or in connection with maintenance, repairs, or replacements within the Common Elements, or any equipment, facilities, or fixtures affecting or serving other Units or Common Elements, or to make any alteration required by any governmental authority.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Unit which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

Class A. The Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Unit.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration) and shall be entitled to three (3) votes for each Unit owned. The

Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B memebership; or

(b) Not later than three (3) years after the first Unit estate is conveyed.

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Living Unit owned within the Properties, hereby covenants, and each Owner, for any Units by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

A. Annual assessments or charges.

B. Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties, and in particular for the acquisition, improvement, and maintenance of properties, services, and facilities devoted to this purpose, or for the use and enjoyment of the Common Area, including but not limited to the costs of repairs, replacements and additions, labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until the January 1, 1990, the maximum annual assessment shall be Seven Hundred Fifty Dollars ($750.00) per Unit.

A. From and after January 1, 1990, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Membership.

B. From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of at least a majority of Members who are voting in person or by proxy at a meeting duly called for this purpose.

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

D. After submission to the regime, in no event shall the Units owned by the Developer be exempt from assessment.

Section 4. Payable Annual Assessment. The Board of Directors shall fix the payable annual assessment at an amount not in excess of the maximum annual assessment, subject to the provisions of Sections 7 and 8 of this Article.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy, in any calendar year, a special assessment applicable to that year only for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Units and may be collected on a monthly basis, without additional fee or cost to such Members paying on a monthly basis.

Section 6. Notice and Quorum for any Action Authorized Under Sections 3 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and/or 5 shall be sent to all Members no less than thirty (30) days nor more than sixty (60) days in advance of the meeting and shall state the purpose of such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all votes of the Membership shall

constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorom at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Rate of Annual Assessment. Annual assessment must be fixed at a uniform rate for all like Units and may be collected on a monthly basis. All expenses ("fixed costs") which are allocated equally on a fixed basis between Units shall be billed directly to the Unit Owner of the Unit which directly benefits from the expense. In such event, the Association shall bill such Unit direct to the Unit Owner who is directly benefitted thereby, and such assessment shall receive the benefit of the lien to the Association reserved herein in the event it is not paid when billed and due. All expenses which the Board shall determine in its absolute discretion to be fixed costs shall be so assessed; all other common expenses shall be allocated and paid by Unit Owners on the same basis as their prorata ownership of the Common Elements.

Anything herein to the contrary notwithstanding, the responsibility and manner of payment of common expenses by the Developer shall be as follows:

A. No assessments shall be due or payable on any Unit constructed by Developer until a Certificate of Use and Occupancy has been issued by the appropriate municipal authority.

B. Between the time that such Certificate of Occupancy has been issued and until such Unit is actually occupied (or sold to an Owner/Occupant), the assessment shall be twenty-five percent (25%) of the normal and otherwise uniform assessment.

C. After the Unit has been actually occupied or sold to an Owner/Occupant, the full assessment shall become due and payable thereafter.

The books and records for the Association will be kept in such a manner that it is possible to determine and ascertain (a) such sums as are expended by the Association for development, improvement, maintenance, and upkeep of all recreational facilities of the Association, and (b) such sums as are expended for other purposes.

Section 8. Date and Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Units on the first day of the month following the con-

veyance of the first Unit sale. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. Written notice of such assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an Officer of the Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of the assessments on a Living Unit is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property, and interest, costs, and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or conveyance or abandonment of his Unit.

Section 10. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Unit which is subject to any first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as the payment thereof which become due prior to such sale or transfer (provided that such unpaid assessment shall be reallocated among the other Units). No such sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. All property dedicated to and accepted by a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Tennessee shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments in any case.

ARTICLE V

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 or exclusively serving his own Unit, or the Board may cause the same to be done at the expense of the Unit Owner. Maintenance of, repairs to, and replacements within the Common Elements, except those referred to in the preceding sentence, shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to, and replacements within the Common Elements shall be part of the common expenses, subject to the By-Laws, Rules and Regulations of the Association. The expenses for the maintenance to, repair of, or replacement of a Unit's 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 to, repairs of, and replacements within the other Limited Common Elements may be assessed in whole or in part to Unit Owners benefitted thereby, and, further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefitted 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 benefitted Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such indemnities, lien waivers, and contractor's and subcontractor's sworn statements as may be required to protect the Property from all furnisher's, mechanics' or materialmen's lien claims that may arise therefrom.

If, due to the act or neglect of a Unit Owner or 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 replacement, 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 representatives 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 to, or replacements within the Common Elements, Limited Common Elements, or any equipment, facilities, or fixtures affecting or serving other Units, Common Elements, and Limited Common Elements, or to make any alteration required by any governmental authority.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between Units shall constitute a party wall; and to the extent to which it is inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use by each Owner.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use by each Owner without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

INSURANCE

Section 1. Casualty Insurance on Insurable Area. The Association shall carry blanket casualty insurance for the Property, which shall include all insurable improvements and fixtures of the Common Area and the Units, and all general and limited Common Elements normally included in coverage, 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, general and limited, and the Units, and against such other hazards and for such amounts as the Association may deem advisable. Coverage shall also be provided for fixtures, equipment, and other personal property located inside an individual Unit if the purchase of that Unit is to be financed by a mortgage purchased by FNMA. Insurable replacement cost shall be deemed 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 without deduction for depreciation or otherwise. Such insurance coverage shall be written in the name of and the proceeds thereof shall be payable to 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, unless otherwise determined by the Association, and for the holders of mortgages on his Unit, if any. The policy of insurance should also contain a waiver of subrogation rights by the insurer against individual Unit Owners. The premiums for such insurance shall be a common expense.

The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the Common Assessments made by the Association.

In the event of damage to or destruction of any Building as a result of fire or other casualty covered by insurance (unless more than two-thirds of any Building requires reconstruction), the Board shall, in its sole and absolute discretion and without intervention of any Unit Owner, determine and arrange for the prompt repair and restoration of the damaged portions of all Units, Buildings, and Common Elements substantially in accordance

with the original plans and specifications therefor. Where the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid by all Unit Owners directly affected by the damage in proportion to the value of their respective Units. In the event any Owner shall fail to respond to the assessment by payment thereof within a reasonable time, the amount of said assessment shall constitute a lien against the Unit of such Owner, which lien may be enforced and collected in the same manner as the lien for common expenses as hereinabove provided in Article I, Sections 9 and 10. In the event any insurance proceeds remain after such repair, reconstruction, restoration, or replacement, such excess shall be shared by the Unit Owners directly affected. The provisions of this Section may be changed by the unanimous resolution of the Unit Owners adopted after the date upon which the fire or other disaster occurs. The Board shall not be responsible for the repair, replacement, or restoration of any improvements, betterments, wall, ceiling or floor decorations or covering, or furniture, furnishings, fixtures, appliances, or equipment installed in the Unit by a Unit Owner or Occupant unless insurance therefor is specifically provided for in the insurance policy obtained by the Board.

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of all the Buildings and/or Common Elements 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, the insurance proceeds shall be delivered 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; and the Board, as soon as reasonably possible and as agent for the Unit Owners, shall sell the Property, in its then condition, free from the effect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale and the net proceeds of all insurance policies shall thereupon be distributed to the Unit Owners or their Mortgagees, as their interest 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 then any Unit Owner or Mortgagee may, record a sworn declaration setting forth such destruction 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.

Reconstruction also shall not be compulsory where the whole or more than two-thirds (2/3) of any single Building is destroyed as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners and first mortgagees affected, the net proceeds of insurance policies shall be divided among all the Unit Owners and first mortgagees affected by the casualty in proportion to their respective interests, as determined in the sole discretion by the Board, after paying from the share of each affected Unit Owner or first mortgagee, as their interest may appear, the just amount of any unpaid liens on his Unit in the order of priority of such liens. Provided, however, that no such disbursement of the aforesaid insurance proceeds to any Unit Owner shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quitclaiming his interest in his Unit or affected portion thereof to the Board (as trustee for the remaining Unit Owners) and also delivers to the Board a recordable release of any liens on his Unit or affected portion thereof. Upon the recording of the aforesaid deeds and releases, each such Unit or affected portion thereof shall be deemed thereafter to be Common Elements. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly as determined by the Board. After the Board has effected any such withdrawal, the responsibility for the payment of future assessments for any such withdrawn Unit or portion thereof shall cease.

In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such damage or destruction, and no provision of any document establishing the Property will entitle the Owner of a Unit or other party to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds.

The Association shall have a duty to maintain in effect casualty and liability insurance and fidelity bond coverage, as specified in Sections 703 and 704 of the FNMA Conventional Home Mortgage Selling Contract Lending Guide (hereinafter referred to as the "FNMA Lending Guide").

The Board shall also have authority to and shall obtain comprehensive public liability insurance in such amounts as it deems desirable and workmen's compensation insurance and other liability insurance as it deems desirable, insuring each Unit Owner, mortgagee of record, if any, the Association, its

Officers, Directors, Board, and employees, the 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 safe-keeping any such public liability policy for a reasonable period of time or for such time as required by law after the expiration date of the policy.

The Board shall also have authority to and shall obtain such insurance as its deems desirable, in such amounts, from such sources, and in such forms as it deems desirable, insuring the Property against casualty and any loss (including loss of rents where applicable), and each member of the Board, Officer of the Association, and member of any committee appointed pursuant to the By-Laws of the Association from liability arising from the fact that said person is or was a Director or Officer of the Association or member of such a committee. The premiums for such insurance shall be a common expense.

Each Unit Owner shall be responsible for obtaining his own insurance on the contents of his own Unit and the Limited Common Elements serving his Unit, as well as his additions and improvements thereto, decorating, furnishings, fixtures, 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.

Section 2. Deficiency Assessment. In the event of damage to or destruction of any part of the Common Area Improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Unit Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Common Assessments made against such Unit Owner. In the event that the Association is maintaining blanket casualty and fire insurance on the Living Units, the Association shall repair or replace the same from the insurance proceeds available.

Section 3. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of

Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

Section 4. Notice to First Mortgagees. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such damage or destruction, and no provision of any document establishing the Property will entitle the Owner of a Unit or other party to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds.

Section 5. FNMA Coverage. The Association shall have a duty to maintain in effect casualty and liability insurance and fidelity bond coverage, as specified in Sections 701 through 705 of the FNMA Conventional Home Mortgage Selling Contract Lending Guide (hereinafter referred to as the "FNMA Lending Guide"), a summary of which follows:

.01 Acceptable Policies. Each hazard insurance policy must be written by an insurance carrier that meets FNMA requirements for a Best's rating. FNMA will also accept the policies of an insurer that does not meet its rating requirements if that carrier is covered by reinsurance with a company that does meet FNMA rating requirements. FNMA will also accept policies from Lloyd's of London even though it does not have a Best's rating. FNMA specific requirements are a B general policyholder's rating and a III financial size category (or as an alternative an A general policyholder's rating), if the carrier is issuing an insurance policy for a PUD's common areas or for a PUD or condominium project's master (or blanket) policy.

.02 Required Coverage. The insurance policy must at least protect against fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement. The policy must meet the requirements for condominim projects as follows:

The owners' association must maintain a "master" or "blanket" type of insurance policy, with premiums being paid as a common expense. The policy must cover all of the general and limited common ele-

ments that are normally included in coverage. These include fixtures, building service equipment, and common personal property and supplies belonging to the owners' association.

The policy must also cover fixtures, equipment, and other personal property inside individual units if they will be financed by a mortgage that FNMA purchases, whether or not the property is part of the common elements.

.03 Amount of Insurance. Insurance should cover 100 percent of the current replacement cost of the project facilities, including the individual units in a cooperative or condominium project. Coverage does not need to include land, foundations, excavations, or other items that are usually excluded from insurance coverage. The amount of coverage for a cooperative project must at least equal that required to comply with any coinsurance clause.

Unless a higher maximum amount is required by state law, the maximum deductible amount for policies covering a PUD's common areas and for policies covering condominium or cooperative projects is the lesser of $10,000 or 1 percent of the policy face amount. However, for losses related to individual units in a cooperative project or for individual PUD units that are covered by the project's blanket policy, the deductible related to the individual unit should be the lesser of $1,000 or 1 percent of the unit's replacement cost. Funds to cover these deductible amounts should be included in the owners' association's (or cooperative corporation's) operating reserve account.

.04 Special Endorsements: The following endorsements are required for PUD, condominium, and cooperative projects:

a. An "Inflation Guard Endorsement," when it can be obtained.

b. "Construction code endorsement," if there is a construction code provision that would require changes to undamaged portions of the subject project's building(s) even when only part of a building is destroyed by an insured hazard. Typical endorsements include "Demonlition Cost Endorsements," "Contingent Liability from Operation of Building Laws Endorsement," and "Increased Cost of Construction Endorsement."

c. "Steam Boiler and Machinery Coverage Endorsement," if the project has central heating or cooling. This coverage should provide for the insurer's minimum liability per accident to at least equal the lesser of $2,000,000 or the insurable value of the building(s) housing the boiler or machinery.

In addition, the policy for a condominium project should provide that:

a. Any Insurance Trust Agreement will be recognized;

b. the right of subrogation against unit owners will be waived;

c. the insurance will not be prejudiced by any acts or omissions of individual unit owners that are not under the control of the owners' association; and

d. the policy will be primary, even if a unit owner has other insurance that covers the same loss.

These endorsements are usually covered by a Special Condominium Endorsement.

.05 Named Insured. Insurance policies for condominium projects should show the owners' association as the named insured. If the condominium's legal documents permit it, the policy can specify an authorized representative of the owners' association, including its insurance trustee, as the named insured. The "loss payable" clause should show the owners' association or the insurance trustee as a trustee for each unit owner and the holder of each unit's mortgage.

The insurance policy must also contain the standard mortgage clause and must name as mortgagee either Fannie Mae or the servicers for the mortgages FNMA holds on units in the project. When a servicer is named as the mortgagee, its name should be followed by the phrase "its successors or assigns."

.06 Notices of Changes or Cancellation. The insurance policy for condominium projects should require the insurer to notify in writing the owners' asso-

ciation (or insurance trustee) and each first mortgage holder named in the mortgage clause at least ten (10) days before it cancels or substantially changes a condominium project's coverage. For cooperative projects, this notification is required thirty (30) days before an action is taken.

.07 Flood Insurance. If any part of a project's improvements are in a Special Flood Hazard Area--which is designated as A, AE, AH, AO, A1-30, A-99, V, VE, or V1-30 on a Flood Insurance Rate Map (FIRM)--the owners' association (or cooperative corporation) must maintain a "master" or "blanket" policy of flood insurance and provided for the premiums to be paid as a common expense.

For condominium projects, the policy should cover common area buildings and any other common property. When the project consists of high-rise or other vertical buildings, the owners' association must have a separate flood insurance policy for each building that houses dwelling units.

The amount of flood insurance should be at least equal to the lesser of 100 percent of the insurable value of the facilities or the maximum coverage available under the appropriate National Flood Insurance Administration program. For those condominium or cooperative projects that consist of high-rise buildings or other vertical buildings, the building coverage should equal 100 percent of the insurable value of the building, including machinery and equipment that are part of the building. The contents coverage must include 100 percent of the insurable value of all contents, including any machinery and equipment that are not part of the building, but which are owned in common by the association members. If the required coverage exceeds the maximum coverage available under the National Flood Insurance Administration's programs, FNMA will accept coverage equal to the maximum amount that is available under those programs.

Unless a higher deductible amount is required by state law, the maximum deductible amount for policies covering the common areas for PUD and condominium projects, or for those covering each building in a high-rise or vertical condominium or cooperative project, is the lesser of $5,000 or 1

percent of the policy's face amount. Funds to cover this deductible amount should be included in the owners' association's (or cooperative corporation's) operating reserve account.

.08 Liability Insurance. The owners' association (or cooperative corporation) must maintain a comprehensive general liability insurance policy for the entire project--including all common areas, public ways, and any other areas that are under its supervision. The insurance should also cover commercial spaces that are owned by the owners' association (or cooperative corporation), even if they are leased to others. The liability insurance should provide coverage for bodily injury and property damage that results from the operation, maintenance, or use of the project's common areas.

The amount of coverage should be at least $1,000,000 for bodily injury and property damage for any single occurrence. However, the minimum coverage that FNMA requires for cooperative projects that consist of elevator buildings is $3,000,000. FNMA may require higher amounts of coverage if similar amounts are usually required by mortgage investors in other projects in the area.

If the policy does not include "severability of interest" in its terms, FNMA requires a specific endorsement to preclude the insurer's denial of a unit owner's claim because of negligent acts of the owners' association (or cooperative corporation) or of other unit ownens.

The policy should provide for at least ten (10) days' written notice to the owners' association (or cooperative corporation) before the insurer can cancel or substantially modify it. For condominium and cooperative projects, similar notice must also be given to each holder of a first mortgage on an individual unit in the project.

.09 Fidelity Bonds. The owners' association (or cooperative corporation) must have blanket fidelity bonds for anyone who either handles (or is responsible for) funds that it holds or administers, whether or not that individual receives compensation for services. The bonds should name the owners' association (or cooperative corporation) as the obligee and the premiums should be paid as a common expense by the association (or corporation).

The bonds for a condominium project must include a provision that calls for ten (10) days' written notice to the owners' association (or insurance trustee) before the bond can be cancelled or substantially modified for any reason. This same notice must also be given to each servicer that services a Fannie Mae-owned mortgage in the condominium project.

A management agent that handles funds for the owners' association (or cooperative corporation) should be covered by its own fidelity bond, which must provide the same coverage required of the owners' association (or cooperative corporation).

The fidelity bond should cover the maximum funds that will be in the custody of the owners' association (or cooperative corporation) or its management agent at any time while the bond is inforce. A lesser amount of fidelity bond coverage is acceptable for a project if the project's legal documents require the owners' association (or cooperative corporation) and any management company to adhere to certain financial controls. Even then, the fidelity coverage must at least equal the sum of three (3) months' assessments on all units in the project.

A lender may accept reduced fidelity coverage based on greater financial controls only when the financial controls take one or more of the following forms:

a. The owners' association (or cooperative corporation) or the management company maintains separate bank accounts for the working account and the reserve account, each with appropriate access controls, and the bank in which funds are deposited sends copies of the monthly bank statements directly to the owners' association (or cooperation corporation);

b. the management company maintains separate records and bank accounts for each owners' association (or cooperative corporation) that uses its services and the management company does not have the authority to draw checks on--or to transfer funds from--the owners' association's (or cooperative corporation's) reserve account; or

c. two members of the Board of Directors must sign any checks written on the reserve account.

Section 6. Other Insurance. The Board shall also have authority to and shall obtain any other insurance coverage, including comprehensive public liability insurance, in such amounts as it deems desirable, and workmen's compensation insurance and other liability insurance as it deems desirable, including each Unit Owner, Mortgagee 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.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Unit shall be used except for residential purposes, except that the Developer may use a Unit as a sales and/or rental office.

Section 2. Nuisance. No noxious or offensive activity shall be conducted upon any Unit nor shall anything be done thereon which may be or become annoyance or nuisance to the neighborhood.

Section 3. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Unit or in any dwelling except that dogs, cats, or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and are kept only inside the Unit(s) or in garages or enclosed patio or deck areas and are leashed at all times while not confined to these areas; and provided further that the Association may regulate the keeping and maintaining of household pets.

Section 4. Outside Antennas. No outside radio or television antennas or satellite dishes shall be erected on any Unit or Living Unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its architectural control committee.

Section 5. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any Unit at any time as a residence either temporarily or permanently.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any Unit except one professional office sign of not more than one square foot, one sign of not more than eight square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period. All such signs shall be displayed on the inside surface of the glass in the front window of the Unit.

Section 7. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon, in, or under any Unit; nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon, in, or under any Unit. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Unit.

Section 8. Garbage and Refuse Disposal. No Unit shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and santiary condition. No garbage shall be stored outside the Unit except on days of garbage pickup, or as otherwise established by the Association.

Section 9. Lawful Use. No immoral, improper, offensive, or unlawful use shall be made of the Common Area or Living Units, nor any part thereof; and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 10. Alteration. Nothing shall be altered or constructed in or removed from the Common Area except upon the written consent of the Association.

Section 11. Rules for Common Area. The Association is authorized to adopt Rules for the use of the Common Areas, and such Rules shall be furnished in writing to the Owners. There will be no violation of these Rules.

Section 12. Sports Apparatus. No basketball standard or fixed sports apparatus shall be attached to any Living Unit or garage of any Unit, nor constructed or installed anywhere on the Property without the express written consent of the Association.

Section 13. Repair of Vehicles. No vehicles of any type shall be permanently or semi-permanently parked on the Properties or in the vicinity of any Living Unit or in the Common Area for purposes of accomplishing repairs thereto or the reconstruction

thereof except as permitted by the Rules and Regulations adopted by the Association. This restriction shall also apply to all vehicles not in operating condition regardless of whether or not such vehicles are being operated.

Section 14. Storage Area. Each Owner shall keep his storage area in a neat and orderly condition with all storage area completely enclosed. No Owner shall store any toxic or flammable material of any type without the express written consent of the consent of the Association.

Section 15. Recreational Vehicles. There shall be no parking of recreational vehicles, including but not limited to camping trailers, boats, motor homes, and the like, except in areas specifically designated for this purpose by the Association. All motorcycles, bicycles, play cycles, toys, and any other items designed for play or recreational use shall be stored in Unit garages or otherwise out of view as may be directed by the Association.

Section 16. Commercial Vehicles. The Association shall have the power to adopt Rules and Regulations concerning the parking of all commercial vehicles on the Properties, Common Area, or individual Units.

Section 17. Wiring. No Unit Owner shall overload the electrical wiring in the 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 which might or could overload the heating or plumbing system, without the prior written consent of the Board.

Section 18. Use and Occupancy Restrictions. Subject to the provisions of the By-Laws, 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 purpose. Without limiting this restriction in any way, it is expressly stated that no retail business may be conducted in any Unit.

With the Board's written permission, that part of the Common Elements separating and located between and exclusively serving two or more adjacent Units used together (including, without limitation, portions of any hallway and any walls) may be altered to afford ingress and egress to and from such Units and to afford privacy to the Occupants of such Units when using such Common Elements, and that part of the Common Elements so altered may be used by the Unit Owner or Owners of such Units as a licensee pur-

suant to a license agreement with the Association, provided (a) the expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alteration; (b) such Unit Owner or Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alteration in the event such Units shall cease to be used together, as aforesaid; and (c) such alteration shall not interfere with use and enjoyment of the Common Elements (other than the aforesaid part of the Common Elements separating such adjacent Units).

No Unit in the Property may be partitioned or subdivided without the prior written approval of the Board and the prior written approval of the holder of any first deed of trust or mortgage lien on such Unit. The approved alteration of the garage of any Unit shall conform to all requirements established by the Board and shall in all cases present an outside appearance or view uniform with other such alterations.

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, the storage areas, attics, and other 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.

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 Common Area 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 one or more of such unsold or unoccupied Units as a sales office and may maintain customary signs in connection therewith.

Section 19. General. 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 dra-

peries, 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, outside radio or television antenna, C.B. radio transmitters, or other equipment, fixtures, or items of any kind without the prior written permission of the Board. 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. Any patio, porch, or yard to which there is an exclusive direct access from the interior of a Unit shall constitute a Limited Common Element for the exclusive use of the Owner of such Unit. The Owner of a Unit to which a patio, porch, or yard is attached or connected shall make repairs thereto caused by his own negligence, misuse, or neglect and shall be responsible for all maintenance of said patio, porch, or yard or enclosure of same. Any other repairs or maintenance to or with respect to the Limited Common Elements shall be the responsibility of the Association.

Section 20. Transient or Hotel Use. With the exception of a lender in possession of a condominium unit following a default in a first deed of trust or mortgage, a foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease his Unit for transient or hotel purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Master Deed and the By-Laws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing.

ARTICLE IX

EASEMENTS

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

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

If any provision of the Master Deed or By-Laws, 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 By-Laws and of the application of any such provision, section, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby, and the remainder of this Master Deed and the By-Laws shall be construed as if such invalid part was never included therein.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be changed, modified, or rescinded during the first thirty (30) year period by an instrument in writing setting forth such change, modification, or rescission, signed by not less than sixty-seven percent (67%) of the Unit Owners and acknowledged, and thereafter by an instrument signed by not less than fifty percent (50%) of the Unit Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements as herein provided, or affect any lien for the payment thereof established herein, and provided 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. Any amendment must be properly recorded.

However, if the Act, the Master Deed, or the By-Laws 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 the 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 either of the provisions of these paragraphs, shall be effective upon recording of such instrument in the office of the Register of Deeds of Davidson County, Tennessee; provided, however, that no provisions in this Master Deed may be changed, modified, or rescinded so as to conflict with the provisions of the Act.

Notwithstanding any provision in this Declaration to the contrary, amendments of a material change must be approved by Unit Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of unit estates that are subject to mortgages held by eligible holders. A change to any of the following shall be considered as material:

A. Voting rights;

B. assessments, assessment liens, or the priority of assessment liens;

C. reserves for maintenance, repair, and replacement of Common Areas;

D. responsibility for maintenance and repairs;

E. reallocation of interests in the general or limited Common Areas, or rights to their use;

F. redefinition of any Unit boundaries;

G. convertibility of Units into Common Areas, or vice versa;

H. expansion or contraction of the Project, or the addition, annexation, or withdrawal of property to or from the Project;

I. insurance of fidelity bond requirements or coverage;

J. leasing of Units;

K. imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;

L. a decision by the Association to establish self-management when professional management had been required previously by the Declaration or by an Eligible Mortgage Holder;

M. restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in the Declaration;

N. any action to terminate the legal status of the Project after substantial destruction or condemnation occurs; or

O. any provisions which would expressly benefit mortgage holders, insurers, or guarantors.

When Unit Owners are considering termination of the legal status of the Project for reasons other than substantial destruction or condemnation of the property, Eligible Mortgage Holders that represent at least sixty-seven percent (67%) of the votes of the mortgaged Units must approve. Approval will be assumed when an Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal, provided the notice is delivered by certified or registered mail with a "return receipt" requested.

Section 4. Encroachment. It is understood that Living Units which adjoin each other and have a party wall built as a part of the original construction of the homes which is placed upon the dividing line between adjoining Units may encroach on such adjoining Units due to construction or other reasons. Accordingly, an easement is reserved for such encroachments as are contained in the buildings, whether the same now exist or may be caused or created by construction, settlement, or movement of the building, or by permissible repairs, construction, or alteration. With regard to any differences which may exist in the Plat, or in other lands which may be platted and annexed thereto, and the actual party walls and lot lines which exist on the Properties, the lot lines and party walls which actually exist shall control over discrepancies in such plats.

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.

Section 5. Alterations, Additions, or Improvements. 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 assessments alterations, additions, and improvements of the Common Elements as provided in the By-Laws.

Section 6. 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 interior furnishings and fixtures. Drapes shall be lined to the satisfaction of the Board. 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 form 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 (other than interior surfaces with the Units as above provided and other than of Limited Common Elements) 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. All windows forming part of a perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of that Unit.

Section 7. Non-Liability of the Directors, Board, and Officers. Neither the Directors, Board, nor the Officers of the Association 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 actual fraud. The Unit Owners shall indemnify and hold harmless each of the Directors, Board, and Officers, and their respective heirs, executors, administrators, successors, and assigns in accordance with the By-Laws.

Section 8. 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 Declaration or By-Laws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners.

Section 9. Notices. Notices provided for in the Act, Declaration, or By-Laws shall be in writing and shall be addressed to the Association or Board, or any Unit Owner, as the case may be, at both the address of the respective Unit Owner of the Property and at 300 Autumn Chase, Nashville, Tennessee 37214, or at such other address as hereinafter provided. The Association or Board may designate a different address or

addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him or to her (other than to his or her Unit) by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person 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 Declaration to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

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

A. Any condemnation loss or any casualty loss which affects a material portion of the project or any unit estate on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable.

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

C. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Owners' Association.

D. Any proposed action which would require the consent of a specified percentage of mortgage holders.

Section 10. Transfer of a Unit; Notice to Association.

A. Unrestricted Transfers. A Unit Owner may, without restriction under this Declaration, sell, give, devise, lease, or otherwise transfer his Unit, or any interest therein, to any person.

B. Limit on Term of Lease. No Unit, or interest therein, shall be leased by a Unit Owner for less than a minimum term to be set by the Board and no more than two (2) years. A copy of every such lease, as and when

executed, shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations, under the Declaration and By-Laws, of the Unit Owner making such lease, and the lease shall expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations. The Board shall be a third party beneficiary of any such lease and shall have the power to enforce its terms and conditions for the Association's benefit. The Board may establish a standard lease form, the terms of which shall be a prerequisite to the leasing of any Unit, and it shall be used exclusively by all Unit Owners.

C. Notice to Association of Certain Transfers. Whenever a Unit Owner shall propose to sell, give, devise, lease, or otherwise transfer his Unit, or any interest therein, to any person or entity, said Unit Owner shall give the Association not less than thirty (30) days' prior written notice of the proposed transfer, which notice shall briefly describe the type of transfer proposed by the Unit Owner and shall state the name and address of the proposed transferee. The notice shall also include a copy of the proposed lease, contract for sale, or other documents, if any, effecting said transfer. The Board shall be furnished a photocopy of the final executed lease and/or recorded deed.

D. 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 the remaining Unit Owners, 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.

E. Financing of Purchase by Association. The Board shall have the authority to make such mortgage arrangements and special assessments proportionately among the respective Unit Owners, and other such financing arrangements as the Board may deem desirable, in order to close and consummate the purchase or lease of a Unit, 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.

F. Miscellaneous.

(1) A transfer or lease of a Unit, or interest therein, by or to the Board, the Developer, or the holder of any deed of trust or mortgage (or purchaser at foreclosure) on a Unit which comes into possession of the mortgaged Unit pursuant to remedies provided in such deed of trust or mortgage, or pursuant to foreclosure of such deed of trust or mortgage, or pursuant to a deed (or assignment) in lieu of foreclosure of such deed of trust or mortgage, shall not be subject to the provisions of this section. The provisions of this paragraph shall in no way impair the rights of a first mortgagee to any of the following:

(a) Foreclose or take title to a condominium unit pursuant to the remedies provided in the mortgage, or

(b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or

(c) sell or lease a Unit acquired by the mortgagee.

The Association shall hold title to or lease any Unit, pursuant to the terms hereof, in the name of the Association, or a nominee thereof delegated by the Board, for the sole benefit of all remaining Unit Owners. The Board shall have the authority at any time to sell, lease, or sublease said Unit on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall a Unit be sold for less than the amount paid by the Association to purchase said Unit unless Unit Owners owning at least fifty percent (50%) of the total ownership of the Common Elements first authorize the sale for such lesser amount.

(2) All notices referred to or required under this section shall be given in the manner provided in this Master Deed for the giving of notices.

(3) The provisions of this section with respect to the Association's right shall be

and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided therein, unless the provisions of this section are sooner rescinded or amended by the Unit Owners.

(4) The Board may adopt Rules and Regulations, from time to time, not inconsistent with the provisions of this section, for the purpose of implementing and effectuating said provisions.

(5) If any transfer or lease of a Unit is made or attempted without complying with the provisions of this section, such transfer or lease shall be subject to each and all of the rights of, and remedies and actions available to, the Association hereunder and otherwise.

Section 11. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants, or rights created by this Declaration 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 Ray McWherter.

Section 12. 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, liens and charges, and the jurisdiction, rights, and powers created or reserved by this Declaration. All future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Declaration. Any restrictions or rules in the By-Laws which are more than administrative in nature, such as but not limited to reservations and future rights of the Developer, are hereby incorporated into and made a part of this Declaration by reference. All rights, benefits, and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, shall bind every person having at any time any interest or estate in said land, and shall inure to the benefit of such Grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners, Tenants, and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the By-Laws appended hereto and recorded herewith, pursuant to Tennessee Code Annotated Section 66-27-111, as they may be

amended from time to time. The acceptance of a deed of conveyance, devise, or lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the said By-Laws and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted, and ratified by such 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 Declaration, By-Laws, and Rules and Regulations may be incorporated by reference in, and become part of, the agreement between any first mortgagee and any present or future Unit Owner who enters into such an agreement with a first mortgagee. When so incorporated, any default in the terms and conditions of the Declaration, By-Laws, and Rules and Regulations may be considered as a default by the first mortgagee, whereupon said first mortgagee, after exercising its option to declare a default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Unit Owner.

Section 13. 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.

Section 14. 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. If a majority of the Board, in their sole and absolute discretion, approve the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board does 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 a fair and reasonable basis to the mortgagees directly affected by the condemnation and the balance to the Unit Owners directly affected. The decision of the Board as to fairness and reasonableness shall be binding upon all parties if such decision reasonably relates to the given facts.

If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such proceeding or proposed acquisition, and no provision of any document establishing the Property will entitle the Owner of a Unit or other party to priority over such institutional holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

Section 15. Remedies. In the event of any violation of the provisions of the Act, Master Deed, By-Laws, 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, By-Laws, 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 take possession of the Unit and to sell the same as provided hereinabove and as provided hereinafter, 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, attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eighteen percent (18%) per annum, or at the then highest contract rate of interest then legally collectible in Tennessee, 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 be subordinate to the lien of a recorded first 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 or holder accepts a conveyance of any interest therein (other than as a security) or forecloses the lien of its mortgage or deed of trust. In the event of any 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 or record of mortgage and deed of trust liens against Units in the Building.

In addition to any other rights provided for in this Master Deed, the violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the following rights: (a) To enter upon the Unit (either peaceably or forcibly without liability to such Unit Owner for such entry), 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 forcibly 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 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 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 such purchaser 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. An aggrieved Unit Owner or first mortgagee may bring an action in law or equity to require the enforcement of this Master Deed and the By-Laws by the Board, or may bring an action to enjoin or specifically require a party to perform what is required of him or it hereunder.

As one of its remedies in the event the Board finds that there is excessive noise in one Unit which it characterizes to be a nuisance, the Board may require that walls and/or floors between the Unit wherein the excessive noise originates and adjacent Units be insulated at the sole cost of the Unit Owner of the Unit wherein the excessive noise originates, and the cost thereof shall be deemed to be a maintenance expense allocable solely to the Unit Owner of the Unit wherein the excessive noise originates and shall be assessed against the Unit Owner. The Board may cause such insulation to be installed without the consent of the said Unit Owner, and work may be done on or about such Unit wherein the excessive noise has originated, as an easement through and over Common Elements for such purpose.

Section 16. Federal Home Loan Mortgage Corporation Regulations, Etc. Notwithstanding anything to the contrary contained in this Declaration, or in the By-Laws 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 pertaining to condominiums are hereby incorporated as terms and conditions of the Declaration and By-Laws, 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 T.C.A. 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 Declaration or By-Laws which are in conflict. Any portions of such Declaration or By-Laws which are

in conflict with this Section, or with any portion of Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association regulations pertaining to condominiums, are hereby deleted, such regulations are substituted herefor and to the extent that it is necessary to amend this instrument so that the Seller's Warranties will be deemed to be true (as defined in the Seller's Guide, issued by the Federal Home Loan Mortgage Corporation), then this instrument and the accompanying By-Laws shall be deemed to be so amended to conform thereto, and so that the legal guidelines and underwriting standards set forth in the "FNMA Lending Guide" shall be incorporated herein by reference, and any conflicting provisions herein shall be deemed to be amended to conform thereto, anything herein to the contrary notwithstanding. The following additional rights of mortgagees are itemized as follows:

A. A first mortgagee under a condominium Unit at his request is entitled to written notification from the Association of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under the Declaration, By-Laws, or any of the condominium documents, which is not cured within thirty (30) days.

B. Any first mortgagee of a 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 (except for claims for a prorata share of such assessments or charges resulting from a prorata reallocation of such assessments or charges to all Units including the mortgaged Unit).

C. Unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgage owned) of condominium Units have given their prior written approval, the Association shall not be entitled to:

(1) Change the prorata interest or obligations of any condominium Unit for (a) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, and for (b) determining the prorata share of each Unit in the Association, which is owned by the Unit Owners in the condominium project in undivided prorata interests ("Common Elements").

(2) 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 by T.C.A. 66-27-118 (and as it may be amended from time to time) in case of substantial loss to the Units and/or Common Elements to the condominiuim project.

(3) Amend the Declaration, By-Laws, or recorded Plat in such a manner as to adversely affect the rights or security enjoyed by a first mortgage lien holder.

D. First mortgagees shall have the right to examine the books and records of the Association and/or the Property; upon request, to be permitted or entitled to receive an annual audited financial statement of the Property within ninety (90) days following the end of any fiscal year of the Property and written notice of all meetings of the Association; and to be permitted to designate a representative to attend all such meetings.

E. An adequate reserve fund for the replacement of Common Elements will be established and funded by regular monthly payments rather than by special assessments. Amounts paid into the reserve are not to be considered as advance payments of regular assessments, nor are they to be deemed to be refundable.

F. As set forth in T.C.A. 66-27-120 (and as it may be amended from time to time), 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 Unit and not to the project as a whole.

G. No Unit Owner, or any other party, shall have priority over any rights of the first mortgagees of condominium Units pursuant to their mortgages in the case of a distribution to condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of condominium Units and/or Common Elements.

H. Any agreement for professional management of the project or any other contract of the Association, whether it be by the Developer, its successors and assigns, or any other person or entity, may be terminated without penalty on ninety (90) days' written notice, and the terms of any such contract shall so pro-

vide and shall not be of a duration in excess of three (3) years.

I. The Association shall give to the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association or any lending institution servicing such mortgages as are acquired by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, 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 Dollars ($10,000). The Association may rely upon the information contained in the book entitled "Mortgages of Units," as must be established pursuant to the By-Laws, for a list of mortgagees to be notified hereby. All first mortgagees shall register with the "Book of Mortgages."

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. To the extent that the Federal National Mortgage Association shall have an interest in, or be the owner of, or participate in, any first mortgages or deeds of trust affecting any of the Units, then:

(1) Any lien of the Association resulting from nonpayment of assessments against a Unit must be subordinate to the first mortgage or deed of trust lien against that Unit.

(2) An adequate reserve fund for replacement of common element components must be established, which must be funded by monthly payments rather than extraordinary special assessments. A working capital fund shall be established for the initial months of the condominium operation equal to at least a two (2)

months' established common area charge for each Unit. Each Unit's share of the working capital fund must be collected and transferred to the Association at the time of closing of the sale of each Unit and maintained in a segregated account for the use and benefit of the Association. The purpose of the fund is to insure that the Association's Board of Directors will have cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Board. Amounts paid into the fund are not to be considered as advance payment of regular assessments.

(3) The Association shall give the holders of first deeds of trust and mortgages prompt notice of any default in the Unit mortgagor's obligations under the condominium documents not cured within thirty (30) days of default.

(4) The holders of first deeds of trust or mortgages shall have the right to examine the books and records of the Association and to require annual reports and other financial data.

(5) A reasonable method for dealing with any condemnation of the Property shall be provided, specifying written notice to first mortgagees of any proceedings and not disturbing mortgagee's first lien priority.

(6) The Association shall have the right to maintain existing improvements regardless of any present or future encroachments of the Common Elements upon another Unit.

(7) The Unit shall not be subject to any unreasonable restraints on alienation which would adversely affect the title or marketability of the Unit or the ability of the mortgage holder to foreclose its first mortgage lien and thereafter to sell or lease the mortgaged Unit.

(8) Appropriate fidelity bond coverage must be required for any person or entity handling funds of the Association, including, but not limited to, employees of the professional managers.

The Developer is hereby granted the irrevocable and unconditional power of attorney to amend whatever documents and in whatever manner necessary in order to conform to the Veteran Administration's requirements wihtout joinder of any Unit Owner or any party hereto.

Section 17. Zoning Regulations of The Metropolitan Government of Nashville and Davidson County. All common open space and public facilities shall be in accordance with and are subject to the provisions of Section 81.51 of the Zoning Regulations of The Metropolitan Government of Nashville and Davidson County, and specifically as follows:

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 not 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 shall 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 written 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 of one (1) years. When the zoning administrator determines that the organization is not prepared for the maintenance for the common open space, such agency shall continue maintenance 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.

IN WITNESS WHEREOF, the said Developer has caused its name to be signed to these presents by its duly authorized officials, this 29th day of September, 1988.

H M PROPERTIES, INC.

By: _____
Ron Bargatze, Vice-President

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, John T. Blankenship, a Notary Public of the state and county aforesaid, personally appeared Ron Bargatze, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Vice-President of the H M Properties, Inc., the within named bargainor, a corporation, and that he as such Vice-President executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as Vice-President.

Witness my hand and seal, at office in Nashville, Tennessee, this 29th day of September, 1988.

_____
Notary Public

My commission expires: 02-14-89

EXHIBIT A

PROPERTY DESCRIPTION

Being a parcel of land situated in Nashville, Davidson County, Tennessee, more particularly described by metes and bounds as follows:

Beginning at a point situated in the easterly margin of McGavock Pike, said point being 176.20 feet north of the intersection of Joya Drive;

thence, along the easterly margin of McGavock Pike N 11°-44'-26" E, a distance of 264.82 feet to a point;

thence, leaving the easterly margin of McGavock Pike S 78°-23'-43" E, a distance of 241.46 feet to a point;

thence, S 11°-41'-17" W, a distance of 25.00 feet to a point;

thence, S 78°-23'-43" W, a distance of 122.70 feet to a point;

thence, N 11°-41'-17" E, a distance of 75.00 feet to a point;

thence, S 78°-23'-43" E, a distance of 493.80 feet to a point;

thence, S 11°-37'-00" W, a distance of 157.50 feet to a point;

thence, N 78°-16'-21" W, a distance of 324.89 feet to a point;

thence, S 11°-40'-17" W, a distance of 157.23 feet to a point;

thence, N 78°-28'-46" W, a distance of 553.56 feet to the point of beginning and containing 4.53 acres of land, more or less.

Being the same property conveyed to H M Properties, Inc., a Tennessee corporation, by deed from Ellen Pack Vantrease Nicks and Claude Nicks, of record in Book 7499, page 227, of the Register's Office for Davidson County, Tennessee.

EXHIBIT B

AUTUMN CHASE CONDOMINIUM PLAT

Unit Number	Street Number
301	301 Autumn Chase
302	302 Autumn Chase
303	303 Autumn Chase
304	304 Autumn Chase
305	305 Autumn Chase
306	306 Autumn Chase
307	307 Autumn Chase
308	308 Autumn Chase
309	309 Autumn Chase
310	310 Autumn Chase
311	311 Autumn Chase
312	312 Autumn Chase
313	313 Autumn Chase
314	314 Autumn Chase
315	315 Autumn Chase
316	316 Autumn Chase
317	317 Autumn Chase
318	318 Autumn Chase
319	319 Autumn Chase
320	320 Autumn Chase
321	321 Autumn Chase
322	322 Autumn Chase
323	323 Autumn Chase
324	324 Autumn Chase
325	325 Autumn Chase

OWNERS CERTIFICATE

I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN HEREON AS EVIDENCED IN BOOK 4315, PAGE 64, R.O.D.C. TENN., AND ADOPT THE PLAN OF SUBDIVISION OF THE PROPERTY AS SHOWN HEREON AND DEDICATE ALL PUBLIC WAYS AND EASEMENTS AS NOTED. NO LOT OR LOTS AS SHOWN HEREON SHALL ABATE OR BE SUBDIVIDED, RECONSTRUCTED, ALTERED, OR CHANGED SO AS TO PRODUCE LESS F.A.R. THAN PRESENTLY REGULATED UNTIL OTHERWISE APPROVED BY THE METROPOLITAN PLANNING COMMISSION AND UNDER NO CONDITION SHALL ANY I " NO. LOTS BE MADE TO PRODUCE LESS AREA THAN PRESCRIBED BY THE RESTRICTIVE COVENANTS AS OF RECORD IN BOOK 7100, PAGE 724, R.O.D.C. TENN. BINDING SUCH TITLE TO THE PROPERTY.

NAME _____ DATE 3/7/93

SURVEYORS CERTIFICATE

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON IS CORRECT AND THAT ALL APPLICABLE MONUMENTS SHOWN THUS ⊙ HAVE BEEN SET AS INDICATED. ALL SIDE LOT LINES ARE AT RIGHT ANGLES OR RADIAL TO A STREET UNLESS OTHERWISE NOTED.

NAME _____ DATE 1-5-93

COMMISSIONS APPROVAL

APPROVED BY THE METROPOLITAN PLANNING COMMISSION OF NASHVILLE AND DAVIDSON COUNTY, TENN.

NAME _____ DATE 3/7/93

RECORD

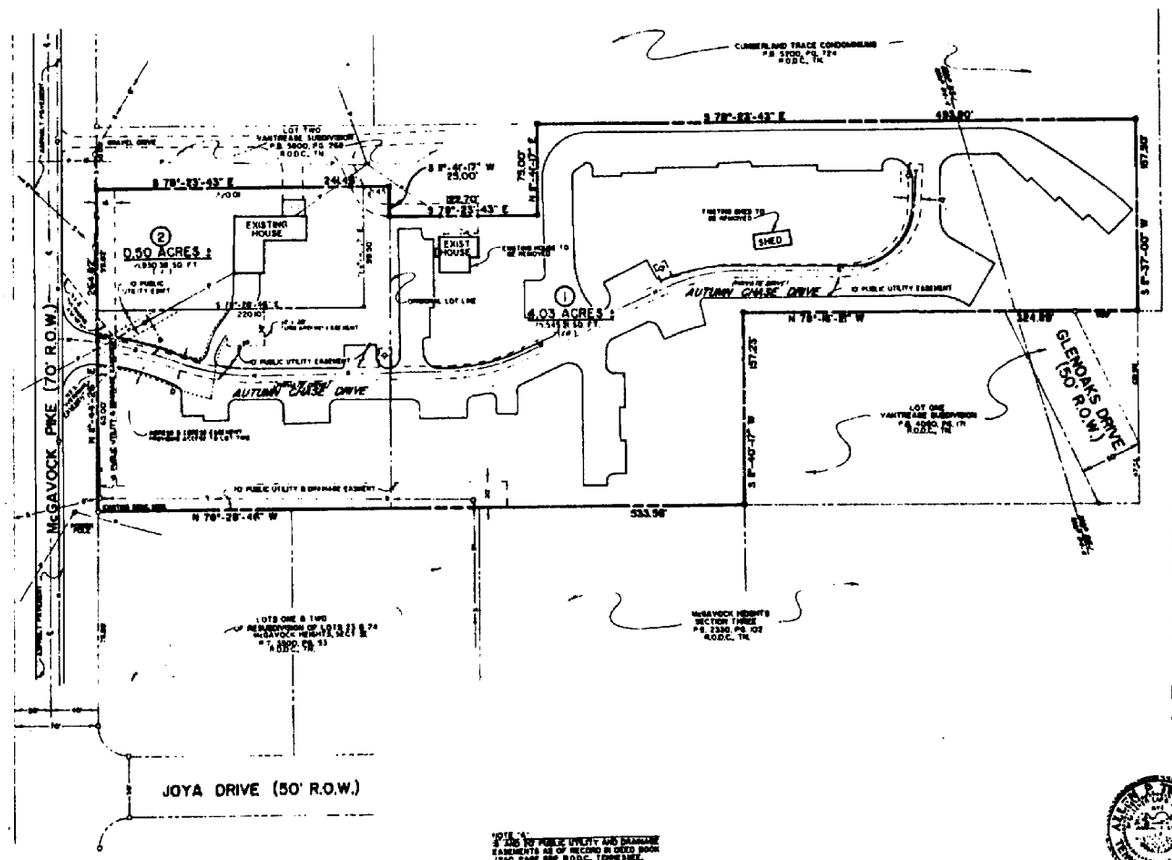
RECORDED March 10, 1993 BOOK 7718 PAGE 472 IN THE REGISTERS OFFICE OF DAVIDSON COUNTY, TENN.

SUBDIVISION NO. 89-105-U

TOTAL AREA WITHIN BOUNDARY = 4.53± ACRES. PARCEL NUMBERS SHOWN THUS (0001) PERTAIN TO PROPERTY MAP 91-4.

THIS SURVEY CONFORMS TO THE GUIDELINES SET FORTH IN THE STANDARDS OF PRACTICE, CHAPTER 0820-3, FOR A GENERAL PROPERTY SURVEY CLASS A, AND HAS AN UNADJUSTED FIELD BOX TRAVERSE CLOSURE OF 1/71000

TOTAL AREA= 4.53 ACRES ±



LEGEND

- CONCRETE MONUMENT EXISTING
- CONCRETE MONUMENT PROPOSED
- IRON ROD EXISTING
- IRON ROD NEW
- SANITARY SEWER MANHOLE EXISTING
- SANITARY SEWER MANHOLE PROPOSED

NOTES

1. Bearings shown hereon are based on the recorded plat of the Vantrease Subdivision
2. Any excavation, fill or disturbance of existing ground elevation must be done in accordance with the Storm Drainage Ordinance No. 78-840, and approved by the Metropolitan Department of Public Works
3. Minimum building setback lines to be determined by the Metropolitan Zoning Regulations
4. The requirements of Ordinance 804-142, will apply to the rezoning of this plat
5. Parcel numbers shown thus (001) pertain to Metro Tax Map 91-4.
6. The recording of this plat voids, vacates and supersedes the recording of Lots One & Two on the VANTREASE SUBDIVISION, as of record in Plat Book 5900, Page 760, R.O.D.C., Tennessee
7. All lots to be served by public water and sewer
8. This plan is being reworked as a Planned Unit Development, Overlay District enacted by Zoning Ordinance No. 87-52
9. 10 & 20' PUBLIC UTILITY AND DRAINAGE EASEMENTS AS OF RECORD IN O.B. 7240, PG 698, R.O.D.C., TN

NOTE 1: 10' & 20' PUBLIC UTILITY AND DRAINAGE EASEMENTS AS OF RECORD IN DEED BOOK 7240, PAGE 698, R.O.D.C., TENNESSEE.

AUTUMN CHASE

NASHVILLE, DAVIDSON COUNTY, TENNESSEE
ISB - COMBS-HAMB DISTRICT
SCALE: 1" = 50' DATE: JANUARY, 1993
JOB No: 6788

DALE AND ASSOCIATES

BOOK 7718 PAGE 472

Page 2 of 6

RECORDER'S MEMO:
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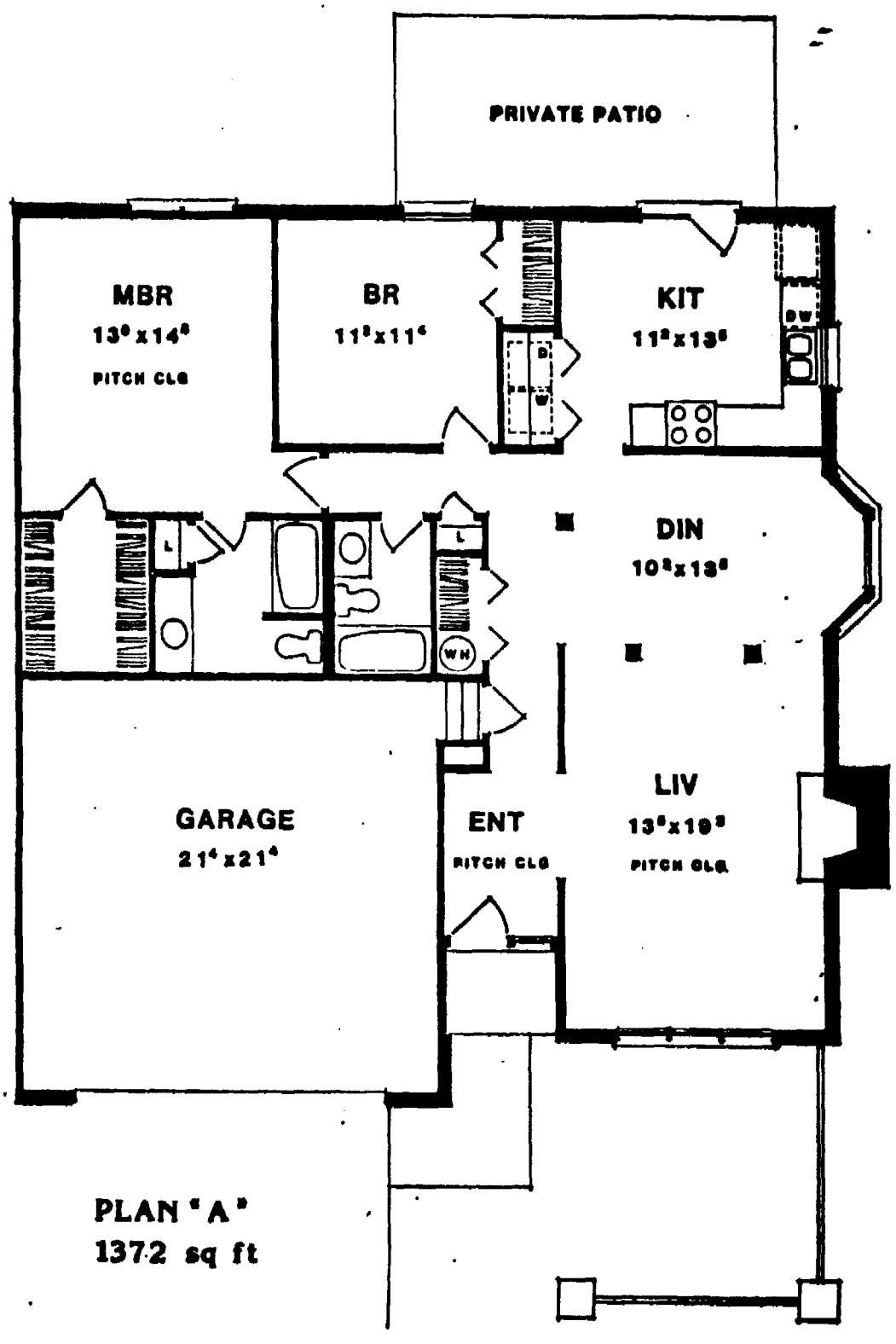
TOTAL AREA = 4.03 ACRES ±

DALE AND ASSOCIATES

AUTUMN CHASE CONDOMINIUMS

AUTUMN CHASE RETIREMENT COMMUNITY

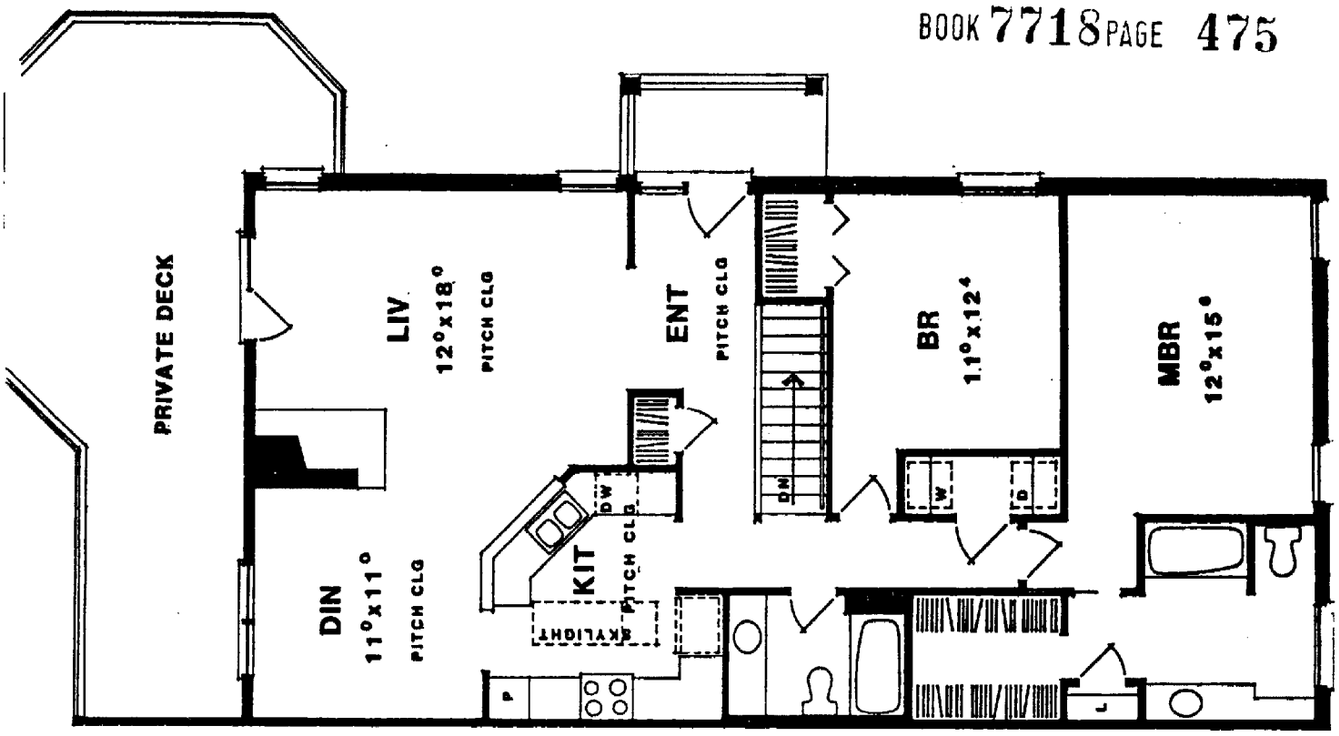
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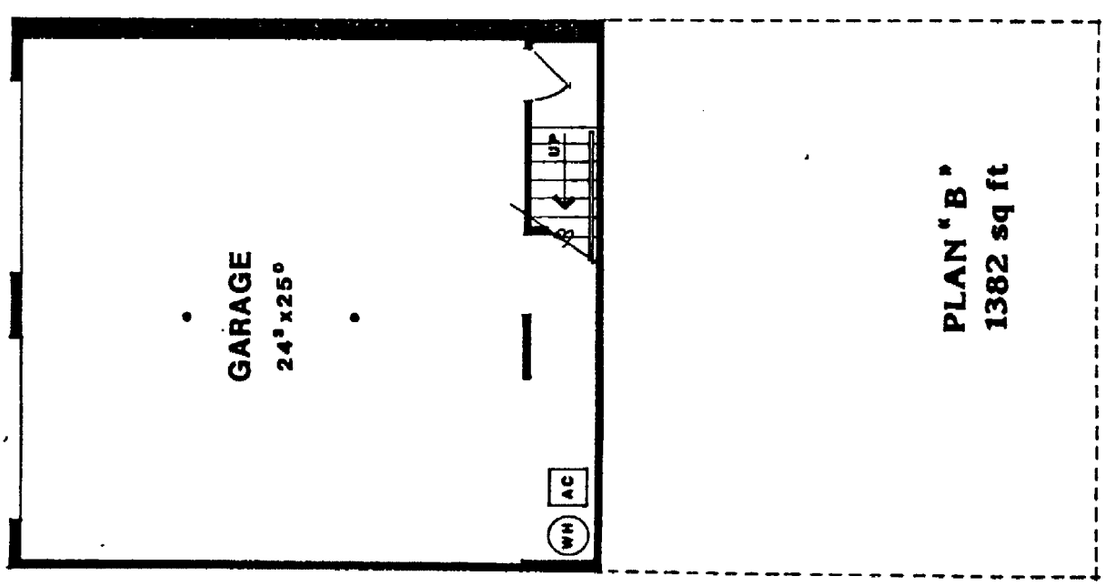


FLOOR PLAN FOR

UNITS 301, 302, 303, 304, 305, 306 and 307

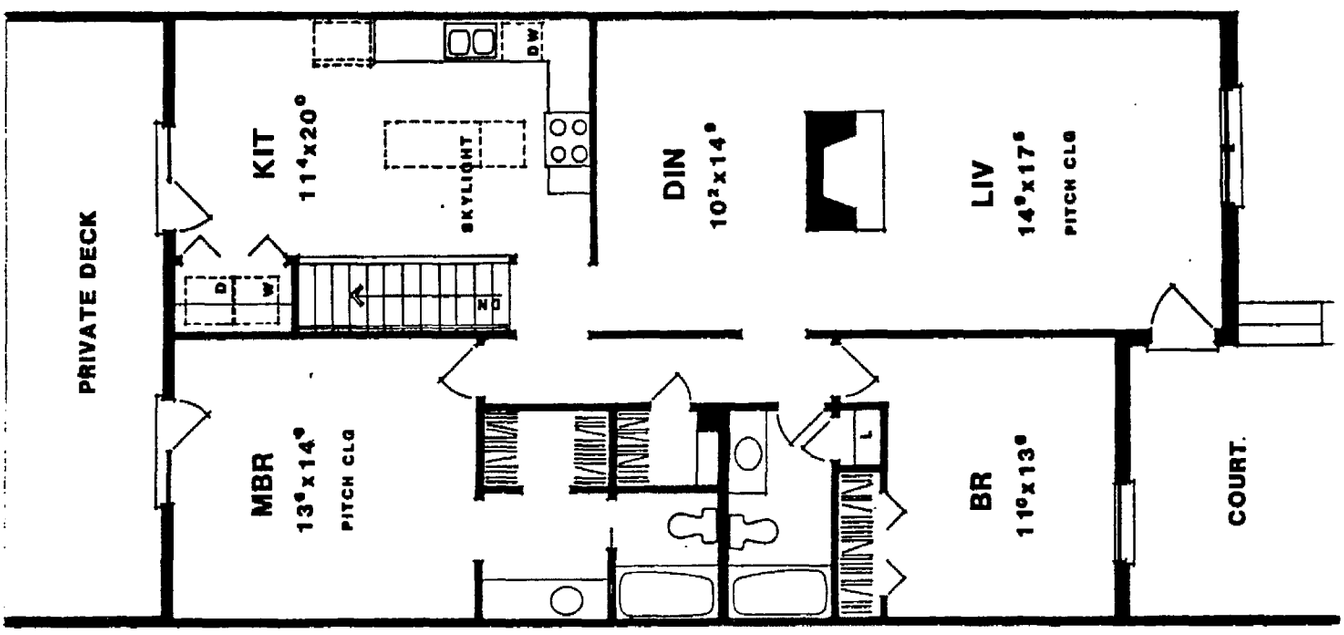
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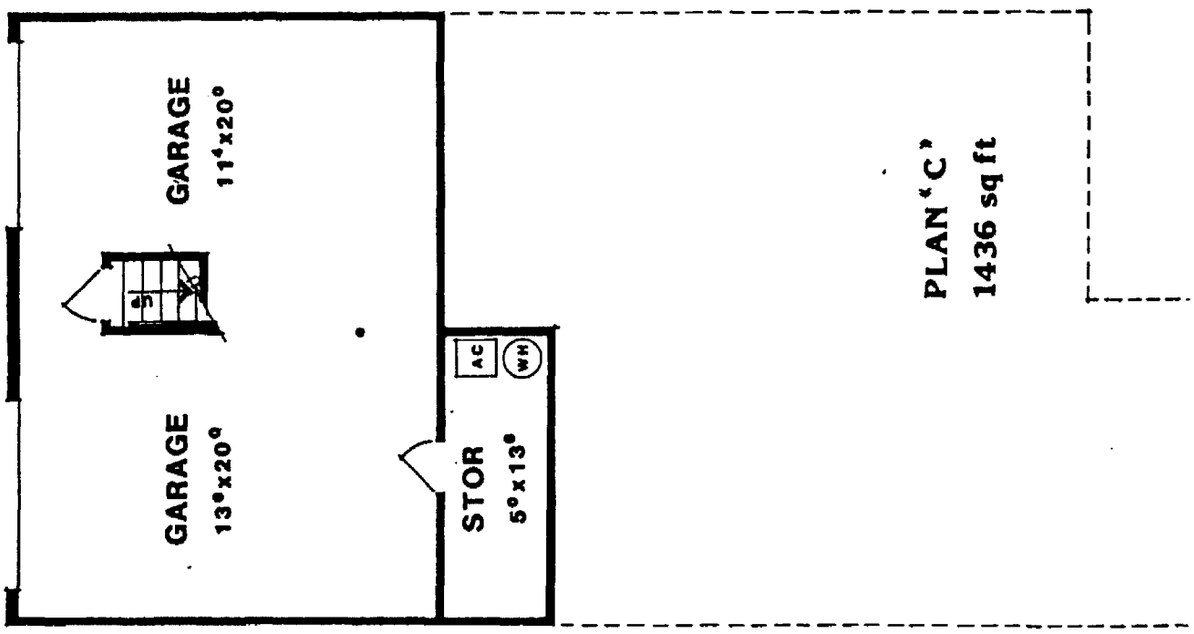




FLOOR PLAN FOR
UNITS 310, 311, 313, 317, 318, 321, 322 and 325

RECORDER'S MEMO:
Legibility of Writing, Typing or Printing in This
Document Unsatisfactory When Received.





FLOOR PLAN FOR

UNITS 308, 309, 312, 314, 315, 316, 319, 320, 323 and 324

RECORDER'S MEMO:
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Document Unsatisfactory When Received.

EXHIBIT C

BOOK 7718 PAGE 477

BY-LAWS

OF

AUTUMN CHASE HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is Autumn Chase Homeowners Association, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 300 Autumn Chase, Nashville, Tennessee 37214, but meeting of members and directors may be held at such places within the State of Tennessee, County of Davidson, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Reference is made to Article I of the Declaration to which these By-Laws are attached for "Definitions" which are incorporated herein by reference.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held at such time and place as designated by the Board upon notice given as set out herein.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or the Board of Directors, or upon written request of the members who are entitled to vote one-fifth (1/5) of all the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by or at the direction of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting, to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of such notice. Such notice shall specify the place, day, and hour of the meeting; and in the case of a special meeting, such notice shall specify the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Voting. The aggregate number of votes for all members of the Association shall be equal to the number of Units which have been subjected to this Association by Plat or amended Plat by the Developer, subject to and as modified by Article III, Section 2, of the Master Deed and Declaration of Covenants, Conditions, and Restrictions; and each Unit Owner shall be entitled to one (1) vote per Unit owned. Each Unit Owner's respective percentage of ownership interests in the Common Elements shall be the result of a fraction, the numerator being the number of Units owned by that Unit Owner and the denominator being the number of Units subject to this Association. If any Unit Owner consists of more than one person, the voting rights of such Unit Owner shall not be divided but shall be exercised as if the Unit Owner consisted on only one 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 it.

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 fifteen (15) days after receipt of notice of assessment. 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.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association. Any holder of first mortgages or deeds of trust on more than fifty percent (50%) of the Units may designate a sixth Board member and such sixth Board member shall not be required to be a Unit Owner. Such holder shall receive actual notice of all Board meetings at least two (2) weeks prior to such meetings, addressed to such person and address as may be designated in writing from time to time by such holder. The initial Board of five (5) members shall be appointed by the Developer and shall remain in office until the first annual meeting.

Section 2. Term of Office. At the first annual meeting, the members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years, and two (2) directors for a term of three (3) years; and at each annual meeting thereafter, the members shall elect two (2) directors for a term of three (3) years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. Prior to each annual meeting of the members, the Nominating Committee shall be appointed by the Board of Directors to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall take as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vanacy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

A. Adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the members and their guests

thereon, and to establish penalties for the infraction thereof; and to enforce the Declaration and these By-Laws.

B. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations.

C. Exercise for the Association all power, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

D. Establish, levy, assess, and collect the assessments or charges as may be necessary.

E. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

F. Appoint and remove at pleasure all officers, agents, and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such bond as may be deemed necessary. Nothing contained in these By-Laws shall be construed to

prohibit the employment of any member, officer, or director of the Corporation in any capacity whatsoever.

Section 2. Duties. It shall be the duty of the Board of Directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote.

B. Supervise all officers, agents, and employees of this Association and see that their duties are properly performed.

C. As more fully provided in the Declaration, to:

i. Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period.

ii. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period.

iii. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner

personally obligated to pay the same.

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

E. Procure and maintain adequate liability and hazard insurance on property owned by the Association.

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

G. Cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President: The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign promissory notes.

Vice-President: The vice-president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Board shall appoint an Architectural Control Committee and a Nominating Committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and the By-Laws of the Association shall be

available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

Section 1. Obligation for Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at eighteen percent (18%) per annum and the Association may bring an action at law against the Owner personally obligated to pay the same or forclose the lien against the property; and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

Section 2. Annual Budget. 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 suc-

ceeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one-twelfth (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. The Board may determine different allocations with respect to a part of such charges whenever it appears to the Board that such an allocation would be unfair. The allocations shall be applied uniformly to all Owners of like situations. The allocation of the Board shall be final and binding upon all parties. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined.

Section 3. Partial Year or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of 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 as computed by the Board.

Section 4. Annual Report. Within forty-five (45) 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 annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget.

Section 6. Expenditures. Except for expenditures and contracts specifically authorized by the Declaration and By-Laws, the Board shall not approve any expenditure in excess of Two Thousand Five Hundred Dollars ($2,500.00) unless required for emergency repair, protection, or operation of the Common Elements, nor enter into any contract for more than three (3) years without a ninety (90) day cancellation clause without the

prior approval of two-thirds (2/3) of the total membership of the Association and without securing consents of mortgagees, if necessary.

Section 7. 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 attorneys' fees, incurred by reason of such lien.

Section 8. 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 in the percentages of the Unit Owners as from time to time existing.

ARTICLE XII

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 By-Laws of the Association, and the Board against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, or committee members on behalf of the Unit Owners or arising out of their status as directors, Board, officers, or committee members, unless any such contract or act shall have been made in clear violation of the Declaration or these By-laws, or 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, or committee member may be involved by virtue of such persons being or having been such director, officer, Board, or committee member; provided, however, that such indemnity shall not be operative with respect the following:

A. Any matter as to which such person shall have been finally adjudged in such action, suit, or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director, officer, Board, or committee member.

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 criminal (i.e., a felony) acts, or clearly violating the Declaration or these By-Laws, or for gross negligence or fraud in the performance of his duties as such director, officer, Board, or committee member.

Section 2. Success on Merits. To the extent that a member of the Board of Directors, or an officer of the Association, or a member of any committee appointed pursuant to the By-Laws 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 (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 3. Advance Payment. 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 satisfactory to the Board 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.

Section 4. Miscellaneous. The Association and the Board shall have the power to raise and the 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, officer, or members of such committees, or out of the aforesaid indemnity in favor of the directors, Board, officers, or members of such committees, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Association bears to the total percentage interest of all the Unit Owners in the Association. Every agreement made by the directors, Board, officers, members of such committees, or by the Managing Agent on behalf of the Unit Owners shall provide that the directors, Board, officers, members of such committees, or the Managing Agent, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as expressly set forth herein), 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 Association bears to the total percentage interest of all Unit Owners in the Association. The indemnification provided by this Article 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 a member of the Board of Directors, officer of the Association, or a member of such committee and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of such person or entity. In no event shall this indemnity exceed coverage occasioned by officers' and directors' liability insurance coverage which the Association shall be required to carry and maintain to the extent that the same is reasonably available in the marketplace.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of the members by a majority of a quorum of the members present in person.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these

By-Laws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation. The Board may elect a different fiscal year.

IN WITNESS WHEREOF, I, being the Incorporator of the AUTUMN CHASE HOMEOWNERS ASSOCIATION, have hereunto set my hand this 29th day of September, 1988.

John T. Blankenship, Incorporator

RECORDER'S MEMO
LEGIBILITY OF WRITING, TYPING OR PRINTING IN
THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED

3716 12/02 0:01 [illegible] 266.00

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the AUTUMN CHASE HOMEOWNERS ASSOCIATION, a Tennessee corporation, and

That the foregoing By-Laws constitute the original By-Laws of said Association as duly adopted at a meeting of the Incorporator thereof held on the 29th day of September, 1988.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 29th day of September, 1988.

Secretary

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, John T. Blankenship, a Notary Public in and for said County and State, Ron Bargatze, the within named bargainors, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon his oath, acknowledged that he executed the foregoing instrument for the purposes contained therein.

Witness my hand and seal at office in Nashville, Tennessee, this 29th day of September, 1988.

Notary Public

My commission expires: 02-14-89

90399

IDENTIFICATION REFERENCE

Dec 2 1 30 PM '88

RECORDERS MEMO
LEGIBILITY OF WRITING, TYPING OR PRINTING IN THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED