THIS INSTRUMENT PREPARED BY:
PETER WEISS, ATTORNEY
Suite 500, One Church Street Building
Nashville, Tennessee 37201

FILE IN BOX #4

BOOK 7826 PAGE 462

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LAKELAND, SECTION II, PHASE II

THIS Declaration of Covenants, Conditions and Restrictions for Lakeland, Section II, Phase II is made and entered into by J. Marvin Hopper, hereinafter referred to as the "Declarant".

W I T N E S S E T H:

WHEREAS, the "Declarant" is the record owner and holder of the legal title in and to certain property situated in Davidson County, Tennessee, and more particularly described on Exhibit "A" attached (hereinafter referred to as the "Property"); and,

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

NOW, THEREFORE, the Declarant declares as follows:

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Lakeland, Section II, Phase II, Homeowners' Corporation, its successors and assigns.

Section 2. "Owner" (also referred to herein as Lot Owner) shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property herein described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements and amenities thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot shall include all areas shown and designated on the plan, including roads, public utility lines and other improvements necessary for the overall integrity of the properties.

Each owner shall have an easement in common with the owners of all other Lots to use all of the common elements located in and serving his or other Lots.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to J. Marvin Hopper.

Section 7. "Eligible Mortage Holders" shall mean those holders of a first mortgage on a Lot who have requested the Association to notify them on any proposed action that requires the consent of a specified percentage of mortgage holders.

Section 8. "By-Laws" shall mean the By-Laws of Lakeland, Section II, Phase II, Homeowners' Corporation attached hereto as Exhibit "B" and made a part hereof. All provisions contained in the body of this Declaration of Covenants, Conditions and Restrictions of Lakeland, Section II, Phase II, dealing with the administration and maintenance of the Properties shall be deemed to be part of the By-Laws.

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 Lot, subject to the following provisions:

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

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot 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 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.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Encroachments. If any portions of the Common Area shall actually encroach upon any Lot, or if any Lot shall actually encroach upon any portions of the Common Area, as the Common Areas and Lots are shown on the Plat, there shall be deemed to be mutual easements in favor of the owners of the Common Areas and the respective Lot Owners involved, to the extent of such encroachments, so long as the same shall exist.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a

member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

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

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

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot 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 membership, or

(b) Within five (5) years from the conveyance of the first Lot to an Owner.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: 1) annual assessments or charges, and 2) special assessments for capital improvements, such assessments to be eastablished and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fee, 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 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 health, safety and welfare of the residents in the Properties, for the improvements, insurance and maintenance of amenities and the Common Areas, and to maintain an adequate reserve fund to provide for necessary repair and/or replacement of improvements to the Common Areas.

Section 3. Maximum Annual Assessment. For the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Hundred Eighty and 00/100 Dollars ($180.00) per Lot.

(a) From and after the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than Fifteen (15%) percent above the maximum assessment for the previous year without a vote of the membership.

(b) From and after the year immediate following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above Fifteen (15%) percent by a vote of two-thirds (2/3) of the total allocated votes in the Association (and if applicable, the assent of Fifty-One (51%) percent of Eligible Mortgage Holders as established by the Association By-Laws) 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.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the total allocated votes in the Association (and if applicable, the assent of Fifty-One (51%) percent of Eligible Mortgage Holders as established by the Association By-Laws) who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members (and Eligible Mortgage Holders, if applicable) not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and will be collected on a monthly basis in advance.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to each Lot on the day of the month of the conveyance to the Lot Owner(s). The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

A. Working Capital Fund. In order to insure that the Association will have funds to meet initial or unforeseen expenditures; purchase additional equipment and/or secure services, the Declarant shall establish a working capital fund equal to at least two-twelfths (2/12) of the initial annual assessment for common expenses for each Lot. Each Lot's share of the working capital fund shall be collected at the time the sale of the Lot is closed or upon the termination of the Class B membership in the Association as recited in Article 3 above shall occur, whichever is earlier. The Declarant may not use

any of the working capital fund to defray its expenses, reserve contributions, construction costs or to make up budget deficits. The working capital fund shall not be considered as advance payment of regular assessments and shall be maintained by the Association in a segregated fund. When unsold Lots are sold, the Declarant may use working capital funds collected at closing to reimburse itself for funds it paid to the Association for each unsold Lot's share of the working capital fund.

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

Section 8. Effect of Delinquent and/or Nonpayment of Assessments: Remedies of the Association. Any assessment paid more than fifteen (15) days after the due date shall be subject to and include a "late charge", as determined by the Association, to cover the extra expense involved in handling delinquent payments. In addition to the late charge hereabove recited, any assessment not paid within thirty (30) days after the due date shall bear interest at the highest permissable rate of interest per annum allowed under the laws of the State of Tennessee. Any and all delinquent assessments shall constitute a continuing lien against the Lot and improvements thereon. The Association may bring an action at law or equity against the Owner(s) personally obligated to pay the assessments and/or foreclose the lien against the property. Should enforcement be necessary, the Owner(s) shall be obligated to pay costs and attorney's fees associates therewith. No Owner(s) may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of the Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Improvements. No building, fence, wall, mail boxes, satellite dishes, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including painting or re-painting) therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and

location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. All matters submitted to the Architectural Review Committee shall be decided and announced in writing within fourteen (14) days after submission by the Owners or builders.

Section 2. Vehicle Storage. Recreation vehicles, boats and trailors must be on paved surface that is approved by the Architectural Review Committee, and these vehicles must be screened from sight. Screening must be approved by the Architectural Review Committee.

Section 3. Architectural Review Committee Membership. The Architectural Review Committee shall be composed of no less than three (3) or more representatives appointed by the Board. All matters submitted to the Architectural Review Committee shall be decided and announced in writing within fourteen (14) days after submission to the Owners or builders.

A. Tenure. The Architectural Review Committee shall serve for ten (10) years from the date of the filing of this Declaration or upon the sale of all of the Lots in the subdivision by the Declarant, whichever shall occur first. At any time after the expiration of ten (10) years or the sale by Declarant of all Lots within the subdivision, the then record Owners of the majority of the Lots within the said subdivision shall have the power through a duly recorded written instrument to change the membership of the Committee, or to withdraw or restore to the Committee any of its powers and duties.

B. Standards. For the purpose of assuring the maintenance of the Lots as a neighborhood of high standards, the Declarant hereby adopts the following standards for architectural control. The Committee shall have the right to disapprove any plans submitted hereunder because of failure to comply with any restrictions contained herein, failure to include any information required herein, objection to exterior design, or such other matters which would render the proposed structure or use thereof inharmonious with the structures located upon other Lots within the neighborhood.

ARTICLE VI
INSURANCE

Section 1. Casualty Insurance on Insurable Common Area. The Association shall keep all insurable improvements and fixtures of the Common Area insured against loss or damage by fire or other hazards and casualties for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable with the Association as the owner and beneficiary of such insurance. The Association shall also maintain adequate liability insurance and fidelity bond coverage as may be required and/or directed by underwriting guidelines established by the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Housing Administration (FHA), and/or the Veterans Administration (VA). 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.

Section 2. Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area Improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Lot 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 Lot Owner.

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. Condemnation. In the event of a taking of part of the Common Areas in condemnation or by eminent domain, the award made for such taking shall be payable to the Association. If a majority of the Board in their sole and absolute discretion approve the repair and restoration of such Common Areas, the Board shall arrange for the repair and restoration of such Common Areas, and the Board shall disburse the proceeds of such awards to the Contractors engaged in such repair and restoration in appropriate progress payments. In the event the Board does not approve the repair and commencement of restoration of such Common Areas 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 an equal basis to each record Lot Owner (and any mortgagee having a security interest in said Lot).

ARTICLE VII
ADDITIONAL RESTRICTIONS

Section 1. Enforcement. The Property shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for the Declarant, all as may more particularly be set forth in this Declaration or amendments hereto).

The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of the Property in addition to those contained herein, and to impose reasonable user fees for use of Common Area facilities. This authority shall include, without limitation, the power to regulate the speed and flow of traffic on private roads within the Property. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, cancelled or modified in a regular or special meeting of the Association by the vote of a majority of the total Class A members and by concurring vote of the Class B member, so long as such membership shall exist.

Section 2. Signs and Billboards. No sign or billboard of any kind shall be displayed to the public view on any Unit or portion of the Common Area,

except for (1) directional or informational signs, established by the Association, and (2) signs not in excess of six (6) square feet per side erected by an Owner upon that Owner's Unit to advertise the sale or lease of that Unit. The Association shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on the Property, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 3. Size of Certian Units. Each residence constructed in Phase II of Lakeland, Section II, shall contain at least 1,000 square feet of living area. For this purpose, the term "living area" shall exclude basements, garages, porches, breezeways, terraces, balconies, decks, and similar appurtenances.

Section 4. Occupants Bound. All provisions of the Declaration, By-Laws and of any rules and regulations or use restrictions promulgated pursuant thereto that govern the conduct of Owners and that provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Unit. Every Owner shall cause all occupants of his or her Unit to comply with the Declarations, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Unit are fully liable and may be sanctioned for any violation of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto.

Section 5. Animals and Pets. No animals, livestock, poultry of any kind shall be raised, bred, or kept on any portion of the Property, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit. No pets are permitted to roam free; those that, in the sole discretion of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Units or the owner of any portion of the property shall be removed upon request of the Board; if the owner fails to honor such request, the pet may be removed by the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a Unit be confined on a leash held by a responsible person. No dogs of the pit bull or rottweiler breeds shall be permitted. No wild animals shall be permitted.

Section 6. Nuisance. No portion of the Property shall be used, in whole or in part, for the storage of any Property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Property that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property.

Section 7. Unslightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Unit. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property.

Section 8. Subdivision of Unit. No Unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board of Directors of the Association. Declarant, however, hereby expressly reserves the right to replat any Unit or Units owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Section 9. Tents, Trailers and Temporary Structures. Except as may be permitted by the ACC during initial construction within the Property, no tent, utility shed, shack, trailer or other structure of a temporary nature shall be placed upon a Unit or any part of the Property.

Section 10. Drainage and Septic Systems. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No one other than Declarant my obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Declarant hereby reserves a perpetual easement across the Property for the purpose of altering drainage and water flow. Septic systems are prohibited on the Property.

Section 11. On-Site Fuel Storage. No on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Property except that up to five (5) gallons of fuel may be stored on each Unit for emergency purposes and operation of lawn mowers and similar tools or equipment.

Section 12. Noise Abatement. The Property lies within the 65 to 70 Ldn (yearly day-night average sound levels in decibels) noise contour intervals. Construction of dwellings shall include noise abatement features in accordance with recommendations for this noise contour as outlined in Federal Aviation Regulations Part 150 and the Standard Land Use Coding Manual published by the Federal Highway Administration and the Department of Housing and Urban Development.

ARTICLE VIII

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 this Declaration. Failure by the Association or by 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 these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendments. The covenants, conditions and restrictions of this Supplement and Amendment to the Declaration of Covenants, Conditions and Restrictions of Lakeland, Section II, Phase II, shall run with and bind the land and shall be amended as provided in the By-Laws attached hereto as Exhibit "B".

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration (FHA) or the Veterans Administration (VA): Amendment of this Declaration of Covenants, Conditions and Restrictions. BOOK 7826 PAGE 471

Section 5. Common Open Space. Any Common Open Space established by an adopted final master development plan for Planned Unit Development shall be subject to the following:

(a) The Metropolitan Planning Commission and the Metroplitan 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 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) year. 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.

Section 6. Captions. The captions herein are inserted only as a matter of convenience, and in no way define, limit or describe the scope of these provisions or the intent of any provision hereof.

Section 7. Gender. The use of the masculine gender in this Declaration and in the By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural whenever the context so requires.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereto set his hand this 6TH. day of April, 1989.

"DECLARANT"

J. MARVIN HOPPER

STATE OF TENNESSEE)
Davidson County)

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

Witness my hand and official seal at Nashville, Tennessee, this 6TH. day of April, 1989.

My Commission Expires: 11/10/91

Notary Public

EXHIBIT "A"

LAND in the First Civil District of Metropolitan Nashville, Davidson County, Tennessee, and more fully described as the unrecorded Plan of Lakeland, Section II, Phase II, as prepared by George E. Davis, Registered Land Surveyor, dated June 5, 1987, and described from said survey, as follows:

BEGINNING on the southerly margin of Hibbitts Road, said point being at the northeasterly corner of Lot No. 17 on the unrecorded Plan of Lakeland, Section II, Phase II; thence, leaving the said southerly margin of Hibbitts Road, South 14° 34' 04" West, 82.88 feet to a point; thence, South 81° 03' West, 312.02 feet to a point; thence, North 54° 28' 16" West, 120.27 feet to a point; thence, North 2° 17' 05" West, 123.98 feet to a point; thence, North 30° 19' 41" East, 104.87 feet to a point; thence, North 51° 25' 52" East, 90.34 feet to a point; thence, leaving the boundary of the subject tract, northwesterly 25 feet, more or less, to a point, said point being the southeasterly corner of Lot No. 26; thence, continuing with the boundary of the subject tract, South 51° 25' 52" West, 95 feet to a point; thence, South 30° 19' 41" West, 197.94 feet to a point; thence, South 63° 21' 57" West, 96.72 feet to a point; thence, South 79° 52' 55" West, 96.69 feet to a point; thence, South 57° 19' 31" West, 348 feet to a point; thence, North 65° 00' 00" West, 84.26 feet to a point; thence, around a curve with a radius of 40 feet to the right, 108.63 feet to a point; thence, North 89° 23' 53" West, 38.60 feet to a point; thence, North 32° 40' 29" West, 122 feet to a point; thence, North 64° 36' 28" East, 158.78 feet to a point; thence, North 56° 17' 56" East, 234.33 feet to a point; thence, North 58° 18' 13" East, 245.79 feet to a point; thence, North 11° 13' 17" East, 101.73 feet to a point; thence, North 55° 01' 40" East, 120.67 feet to a point; thence, South 44° 01' 13" East, 147.99 feet to a point; thence, around a curve with a radius of 420 feet northeastwardly 39.96 feet to a point; thence, South 38° 34' 08" East, 40 feet to a point; thence, around a curve to the right with a radius of 25 feet 39.27 feet to a point; thence, South 38° 34' 08" East, 75 feet to a point; thence, leaving the said boundary of the subject tract, southeastwardly, 25 feet to a point; thence, continuing with the boundary of the subject tract, southeastwardly with the margin of Hibbitts Road, 350.65 feet, more or less, to the point of beginning.

BEING part of the same property conveyed to J. Marvin Hopper, by Deed from Land Management and Development Company, of record in Book 7034, Page 80, and re-recorded in Book 7693, Page 504, Register's Office for Davidson County, Tennessee.

THIS INSTRUMENT PREPARED BY:
PETER WEISS, ATTORNEY
Suite 500, One Church Street Building
Nashville, Tennessee 37201

EXHIBIT "B"

BY-LAWS OF
LAKELAND, SECTION II, PHASE II, HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Lakeland, Section II, Phase II, Homeowners' Association, Inc., hereinafter referred to as the "Association". The principal address of the corporation shall be located at 2221 Old Hickory Boulevard, Nashville, Tennessee 37215-5309, but meetings 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

Section 1. "Association" shall mean and refer to Lakeland, Section II, Phase II, Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area.

Section 5. "Owner" (also referred to herein as Lot Owner) shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to J. Marvin Hopper.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties as supplemented and amended by instruments recorded in the Office of Register of Deeds for Nashville, Davidson County, Tennessee.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Eligible Mortgage Holders" shall mean those holders of a first mortgage on a Lot who have requested the Association to notify them on any proposed action that requires the consent of a specified percentage of mortgage holders.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held within ten (10) working days of the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors or upon written request of the members who are entitled to vote, by fifty-one (51%) percent of all of the votes of the Class A 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 of person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) days before such meeting to each member entitled to vote there at, 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 notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, 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-quarter (1/4) 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 there at 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. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

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. The initial directors shall be appointed by the Developer and shall serve in said capacity until the selection of their successors.

Section 2. Term of Office. At the first annual meeting the members shall elect one (1) director 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 the respective replacement 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 (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, 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 make 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 only from among 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 vacancy, 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 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 three 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;

(b) Suspend the voting right 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 and reasonable financial assessments levied for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) 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; and

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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 fifty-one (51%) percent of the Class A members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

(1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notices of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) 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 to 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 casualty and liability insurance on property owned by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as may be required and/or directed by underwriting guidelines established by the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Housing Administration (FHA), and/or the Veterans Administration (VA);

(g) Cause the Common Area and amenities 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 offices are as follows:

President

(a) 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 all checks and promissory notes.

Vice-President

(b) 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

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; 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

(d) 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 checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall 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 Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. 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 a reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully described 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 assessment paid more than fifteen (15) days after the due date shall be subject to and include a "late charge", as determined by the Association, to cover the extra expense involved in handling delinquent payments. In addition to the late charge hereabove recited, any assessment not paid within thirty (30) days after the due date shall bear interest at the highest permissable rate of interest per annum allowed under the laws of the State of Tennessee. Any and all delinquent assessments shall constitute a continuing lien against the Lot and improvements thereon. The Association may bring an action at law or equity against the Owner(s) personally obligated to pay the assessments and/or foreclose the lien against the property. Should enforcement be necessary, the Owner(s) shall be

obligated to pay costs and attorney's fees associated therewith. No Owner(s) may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of the Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall not have a seal.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy subject to Section 3 below.

Any proposed amendment in these By-Laws shall require written notice of the proposed amendment to be delivered to members of the Association in writing at least fifteen (15) days prior to any meeting at which the subject amendment will be considered.

Section 2. The covenants, conditions and restrictions of the Declaration shall run and bind the land, for a term of twenty (20) years from the date of recording, after which time they shall be automatically extended for successive periods of ten (10) years. The said Declaration may be amended during the first twenty (20) year period by an instrument signed by not less that seventy- five (75%) percent of the members and thereafter by an instrument signed by not less than sixty-seven (67%) percent of the members. Any amendment to the said Declaration must be recorded and shall be subject to Section 3 below.

Section 3. Mortgagee Approvals. Any and all amendments eligible for approval in Section 1 and Section 2 of this Article shall be subject to the following conditions and restrictions:

A. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration (FHA) and/or the Veterans Administration (VA): Amendments to the Declaration of Covenants, Conditions and Restrictions.

B. Amendments of a material nature must be agreed to by members who represent atleast sixty-seven (67%) percent of the total allocated votes in the Homeowners' Association. In addition thereto, approval must be obtained from eligible mortgage holders who represent atleast fifty-one (51%) percent of the votes of Lots that are subject to mortgages held by eligible holders (eligible mortgage holders shall be defined as those holders of a first mortgage on a Lot who have requested the Homeowners' Association to notify them on any proposed action that requires the consent of a specified percentage of eligible mortgage holders). A change to any of the following shall be considered under this Section as material:

1. Voting Rights.
2. Assessments, assessment liens, or the priority of assessment liens.

3. Reserves for maintenance, repair and replacement of Common Areas.
4. Responsibility for maintenance and repairs.
5. Reallocation of interests in the Common Areas or right to their use.
6. Redefinition of Lot boundaries. BOOK 7826 PAGE 481
7. Conversion of Lots into Common Areas or vice versa.
8. Expansion or contraction of the project or the addition, annexation or withdrawal of property to or from the project.
9. Insurance or fidelity bond changes.
10. Leasing of Lots.
11. Imposition of any restriction on a Lot Owners right to sale or transfer his or her property.
12. A decision by the Homeowners' Association to establish self-management when professional management has been required previously by the projects documents or by an eligible mortgage holder.
13. Restoration and repair of the project (after a hazard damage or partial condemnation, in a manner other than specified in the project documents.
14. Any action to terminate the legal status of the project after substantial destruction or condemnation occurs.
15. Any provisions that expressly benefit mortgage holders, insurers or guarantors.

Section 4. Condemnation. Should the Lot Owners consider termination of the legal status of Lakeland, Section II, Phase II, Homeowners' Association, Inc., for any reason other than the substantial destruction or condemnation of the Association property, eligible mortgage holders, as heretofore defined, that represent atleast sixty-seven (67%) percent of the votes of the mortgaged Lots must agree to said termination of said legal status. Each eligible mortgage holder shall be given written notification of said intent to terminate the legal status of the Association and shall have thirty (30) days in which to respond to said notice. An eligible mortgage holder who fails to submit a response to said written proposal for amendment within thirty (30) days after it receives proper notice of the proposal shall be deemed to assent to said amendment, providing that said notice was delivered by certified or registered mail, with a return receipt requested.

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.

CERTIFICATION

BOOK 7826 PAGE 482

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting secretary of the Lakeland, Section II, Phase II, Homeowners' Association, Inc., 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 Board of Directors thereof, held on the 6TH day of April, 1989.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6TH. day of April, 1989.

Martin Hayes
- Secretary

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