This instrument prepared by:
Mark E. Morrison, Esquire
323 Union Street
Nashville, TN 37201

MASTER DEED
FOR
TARA CONDOMINIUMS
Nashville, Tennessee

BOOK 8154 PAGE 586

THIS MASTER DEED, made and entered into by GRISSIM REALTY COMPANY, a Tennessee corporation, hereinafter referred to as the "Developer";

W I T N E S S E T H:

WHEREAS, the Developer is the legal title owner of certain real estate located in Davidson County, Tennessee more fully described on Exhibit "A" attached hereto and incorporated herein by reference.

WHEREAS, the Developer does hereby submit the real estate together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, whether now existing or constructed hereafter, and all rights and privileges belonging or in anywise pertaining thereto to the provisions of the Horizontal Property Act of the State of Tennessee; and

WHEREAS, the Developer further desires to establish for its own benefit and for the mutual benefit of all future owners or occupants of the property or any part thereof, and intend that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest subject to certain rights, easement and privileges in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the co-operative aspects of residence on the property and are established for the purpose of enhancing and perfect the value, desirability and attractiveness of the property;

NOW, THEREFORE, the Developer, as the legal title holder of the real estate hereinbefore described, and for the purposes above set forth, declares as follows:

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

(a) "Act" means the "Horizontal Property Act" of the State of Tennessee as same may be amended from time to time.

(b) "Association" means the Tara Homeowners Association, a Tennessee general partnership.

(c) "Board" means the Board of Directors of the Tara Homeowners' Association.

(d) "Buildings" mean the one (1) building containing 2719.49 square feet located on the Parcel and forming part of the Property and containing two units, all as more fully shown on Exhibit "B" attached hereto and incorporated herein by reference.

(e) "By-Laws" means the By-Laws of the Tara Homeowners' Association, attached hereto as Exhibit "C" and incorporated herein by reference, 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.

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

(1) The Parcel, but excluding those portions of the Parcel which are a limited common elements as defined in paragraph 1(h);

(2) All party walls and columns, and driveways, entrances and exits to and from the Parcel, as shown on Exhibit "A" attached hereto;

(3) All compartments or installations of central services (if any) such as power, light, gas, cold and hot water, sanitary or storm sewer, refrigeration, reservoirs, water tanks, meters and pumps, sewer cleanout points, and the like;

(4) All devices or installation existing for common use;

(5) Pipes, ducts, drains, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and servicing only such Unit).

(6) All other elements of the Building desirable or rationally of common use of necessary to the existence, upkeep and safety of the horizontal property regime established by this Master Deed.

The Common Elements, both General and Limited, shall remain undivided and shall not be the object of an action for partition or division of co-ownership.

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

(h) (1) "Limited Common Elements of Unit No. 1" means all improvements including that portion of the Building located

upon the air space located immediately above that portion of the Parcel designated as Unit No. 1 on Exhibit "B", and that portion of the Parcel being a strip of land 10 feet in width which surrounds a Unit and any garage, carports, or patios which serve an individual Unit.

(2) "Limited Common Elements of Unit No. 2" means all improvements including that portion of the Building located upon the air space located immediately above that portion of the Parcel designated as Unit No. 2 on Exhibit "B", and that portion of the Parcel being a strip of land 10 feet in width which surrounds a Unit and any garage, carports, or patios which serve an individual Unit.

The Limited Common Elements of Unit No. 1 and the Limited Common Elements of Unit No. 2 shall be referred to jointly as the "Limited Common Elements" unless specifically noted.

(i) "Majority" or "majority of the Unit Owners" means the ownership more than fifty (50%) percent of the undivided ownership of the Units. Any specific percentage of Unit Owners means that percentage of Unit Owners who in the aggregate own such specified percentage of the entire undivided ownership of the Common Elements.

(j) "Master Deed" means this instrument, by which the property is submitted to the provisions of the Act, as hereinafter provided, and such Master Deed as amended from time to time.

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

(l) "Parcel" means the parcel or tract of real estate, described above in this Master Deed, submitted to the provisions of the Act.

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

(n) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures erected, constructed or contained therein or thereon, including the Building 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.

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

(p) "Unit" means a space of air which encloses the respective Unit as described herein and which space is not owned in common with the Unit Owners of other Units. The boundaries of

each Unit shall be and are (horizontally) between the exterior surfaces of its perimeter walls, and (vertically) between the roof and foundation upon which the Unit is built (but excluding any crawl space below a Unit) and a Unit includes both the portion of the Building so described and the air space so encompassed, excepting Common Elements all as more fully shown on Exhibit "B" attached hereto. Any Unit may be jointly or commonly owned by more than one Person. It is intent that the term "Unit" as used in this Master Deed shall have the same meaning as the term "Apartment" as used in the Act.

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

2. Submission of Property to the Act. The Developer, as the legal title holder in fee simple of the Parcel, 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.

3. Units. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as described on Exhibit "B". Every deed, lease, mortgage, deed of trust or other instrument shall legally describe a Unit by its identifying number or symbol as shown on Exhibit "B" 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 and Limited Common Elements as shown on Exhibit "B".

4. (a) Association of Unit Owners and Administration and Operation of the Property. There has been or will be formed an Association having the name "Tara Homeowners' Association", 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 ceased 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 two (2) and shall be divided equally among the respective Unit Owners.

(b) Non-Liability of the Directors, Board Officers, and Developer. Neither the directors, Board, officers of the Association, nor the Developer shall be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers, or Developer, except for any acts or omissions found by a court to constitute gross negligence or fraud.

5. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions or 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. If the Board is deadlocked on an issue then and in such event the provisions of this Master Deed shall control. If there is no provision of the Master Deed on the specific point either Unit Owner shall have the right to petition a court located in Davidson County, Tennessee for a declaratory judgment on such issue.

6. Ownership of the Common Elements. Each Unit Owner shall be entitled to a 50% undivided ownership in the Common Elements subject to each Unit Owner's exclusive right to use the Limited Common Elements appurtenant to a particular Unit. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership. The ownership 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 the fee title to that Unit. Each Unit Owner waives any right of court partition or dissolution of his interest in the Common Elements.

7. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements associated with another Unit) 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 Owners, 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

associated with such Unit as same is defined in paragraph 1(h). 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 he 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.

8. (a) Common Elements. 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 an any and all replacements and additions thereto. Except for its 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. Such proportionate share of the common expenses for each Unit Owner shall be in accordance with the following:

(1) Building Expenses. For expenses relating to those Limited Common Elements comprising the Building; or those Common Elements described in Section 1(f)(2-6); expenses shall be prorated between the Unit Owners based on the interior square footage of a Unit divided by the total square footage of the Building (as same may be changed per Section 14).

(2) Landscaping Expenses. For expenses relating to the remaining Common Elements including but not limited to all landscaping maintenance costs, expenses shall be prorated equally between the Unit Owners.

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 twelve (12%) percent 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 his Unit as provided in the Act.

(b) 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 subparagraph 8(b) 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 hereby acknowledged, the said Unit Owners, their heirs, administrators, and assigns, hereinafter referred to as "trustors", hereby transfer and convey unto Mark E. Morrison, Trustee, his successors and assigns, the property 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 [the term "First Mortgage" as used in this Master Deed shall be deemed to include a second mortgage home equity line with an institutional lender] or Deed of Trust) which may be hereafter placed against said property and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; to keep the improvements on said property in good repair and preservation, and in case the trustee or his successors or the lawful owner and holder of said indebtedness shall hereafter be required to appear in any court or tribunal to enforce, or defend the title to, or possession of, said property, or the lien of this instrument, or appear in any court to prove the above indebtedness, all the costs and expenses of such appearance or proceedings, together with a reasonably 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 12% interest 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 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 of redemption, homestead, dower 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 of the purchaser. The Association may bid at any sale under this trust conveyance. The Trustee may, at any time after default in the payment of any of said indebtedness, enter and take possession of said property, and shall only account for the net rents actually received by him. It is further agreed that, in the event the trustee fails, before selling said property, as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the trustee of a deed for said property. In case of sale hereunder, the proceeds will be applied by the trustee as follows:

1st. To the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided; also reasonable attorney's fees for advice 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.

2nd. To the payment of all taxes which may be unpaid on said premises.

3rd. To the payment of all unpaid indebtedness herein secured, and any and all sums expended in the protection of said property, as herein authorized.

4th. The residue, if any, will be paid to trustors, their order, representatives or assigns.

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

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

(c) Mortgage and Deed of Trust Protection. The lien for common expenses payable by a Unit Owner shall be subordinate to the lien of a record First Mortgage or Deed of Trust on the interest

of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the Mortgagee or Beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its Mortgage or Deed of Trust. This subparagraph (c) shall not be amended, changed, modified, or rescinded without the prior written consent of all Mortgagees and Beneficiaries of record.

9. 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.

10. 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 the formula set out in paragraph 8(a)(1) and, in said event, such taxes shall be a common expense.

11. Insurance. Each Unit Owner shall obtain insurance for his Unit and the Limited Common Elements attributable to his Unit, 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 thereof, and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the said Unit and the Limited Common Elements attributable to that Unit, or any part thereof to substantially the same condition in which it existed prior to damage or destruction. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Unit Owner suffering such loss and for the holders or mortgages on his Unit, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against individual Unit Owners. The premiums for such insurance shall be an individual expense.

In the event of damage to or destruction of the Building as a result of fire or other casualty covered by insurance proceeds (unless more than two-thirds (2/3) of the Building requires reconstruction) each directly affected Unit Owner shall arrange for the prompt repair and restoration of the damage portions of the Unit, Building 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 the proportion of the damage to their Units, such proportion to be determined by the Board in a reasonable manner. The affected Unit Owners shall be deemed to be those Unit Owners who suffer damage from the aforementioned casualty.

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of the Building is 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 directly affected, the net proceeds of insurance policies shall be divided among all the Unit Owners directly affected by the casualty prorata based on the fraction created from the square footage of a Unit being divided by the square footage of the Building and the insurance proceeds shall be delivered to the Unit Owners or their Mortgagees, as their interests may appear.

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 Owners, 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 also have authority to and may obtain such insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Property and each member of the Board an 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 director or officer of the Association, or a 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 his own Unit and the Limited Common Elements serving his Unit, as well as his additions and improvements thereto, decorating, furnishing and personal property therein, and personal property stored elsewhere on the Property. In addition, in the event a Unit Owner desires to insure against his personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Unit Owners as part of the common expenses, as above provided, said Unit Owner may, at his option and expense, obtain additional insurance.

12. Maintenance, Repairs and Replacements. Each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to any replacements within his own Unit and to Limited Common Elements appurtenant to his Unit. Maintenance of, repairs to and replacements within the Common Elements (except such Limited Common Elements) shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to and replacements within the 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, repair or replacement of a Unit's water heater, furnace, air conditioner, and heating and air conditioning ducts shall be borne by the owner of the Unit to which such Limited Common Elements are appurtenant and at the discretion of the Board, maintenance of, repairs to and replacements within the other Limited Common Elements may be assessed in whole or in part to Unit Owners 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 lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

If, due to the act or neglect of a Unit Owner, or of his agent, servant, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repair or replacement are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repair and replacements, as may be determined by the Association, to the extent not covered by the Association's insurance or sufficient proceeds are not collected from the insurance carrier.

The authorized 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 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.

13. Alterations, Additions or Improvements. Except as provided in paragraph 14 herein, no alteration of any Building or Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board and all Unit Owners. The Board may authorize and charge as common expenses, alterations, additions and improvements of the Common Elements as provided in the By-Laws. Any Unit Owner may

make alterations, additions or improvements within the Unit of the Unit Owner without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

14. Decorating.

(a) Interior. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his own Unit and Limited Common Elements serving the interior of his Unit, as may be required from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting and other furnishings and decorating. Each Unit owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floor and ceilings of his Unit, and such Unit Owner shall maintain such surfaces in good condition at his sole expense, as may be required by time to time. Said maintenance and use of surfaces shall be subject to the rules and regulations of the Association, but each such Unit Owner shall have the right to decorate interior surfaces from time to time as he may see fit and at his sole expense.

(b) Exterior. Without the unanimous approval of all Unit Owners, no Unit Owner shall alter in any manner the foundation, roof, doors, windows, shutters and exterior walls of the Building. Changes to the Limited Common Elements prohibited in this paragraph include, but are not limited to exterior color, finish, architectural style and material used. If a dispute develops between the Unit Owners which cannot be resolved by the Unit Owners, then at the option of either Unit Owner a third party acceptable Unit Owners shall be hired to resolve the dispute and whose conclusion shall be binding on the parties. The cost of employing the third party shall be borne by the Association. If the Unit Owners cannot agree as to such third party, then they shall each select a party who shall jointly resolve the dispute as provided herein. Provided, either Unit Owner is hereby authorized to make emergency repairs to the Building and/or Limited Common Elements if necessary to protect the Building from further damage after casualty loss or similar damage. Provided further, no provision of this paragraph will prohibit a Unit Owner from maintaining the Limited Common Elements in their existing condition and color.

(c) Rights and Obligations of Individual Unit Owners.

(1) Unit No. 1. The owner of Unit No. 1 shall have the exclusive right to use the carport shown on Exhibit "B" and shall have the right to expand same at his sole cost and expense so long as such expansion is in conformity with the existing architectural style of the Building. The Owner of Unit No. 1 shall obtain all applicable insurance including but not limited to builder's risk. The Owner of Unit No. 1 shall provide the Association and the Owner of Unit No. 2 with detailed plans and specifications thirty (30) days prior to the commencement of any

grading or construction work for approval. Disputes as to whether plans for such expansion are in conformity with the existing architectural style shall be resolved by the procedure set out in paragraph 14(b). Further, the Owner of Unit No. 1 shall be fully responsible for maintaining the carport in a clean and well maintained condition.

(2) Unit No. 2. The Owner of Unit No. 2 shall have the right to expand Unit No. 2 by adding a second story to that portion of the building located immediately above Unit No. 2 and shall further have the right to build a carport or garage as further indicated on Exhibit "B". The Owner of Unit No. 2 shall be responsible for all costs associated with such expansion and shall obtain all appropriate insurance including but not limited to builder's risk. The owner of Unit No. 2 shall provide the Association and the Owner of Unit No. 1 with detailed plans and specifications thirty (30) days prior to the commencement of any grading or construction work for approval. Disputes as to whether plans for expansion are in conformity with the existing architectural style shall be resolved by the procedure set out in paragraph 14(b) above. If a carport or garage is constructed, the Owner of Unit No. 2 shall be fully responsible with maintaining such structure in a clean and well maintained condition.

15. Encroachments. 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 any other Unit, as the Common Elements and Units are described herein there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners and mortgagees involved, to the extent of such encroachments, so long as the same shall exist. Easements are hereby reserved on the Parcel described above to the extent the same are required by any municipality. These cross-easements pertain to drives, public utility service facilities, parking area, and sidewalks presently located on the Parcel described above.

16. (a) Right to Purchase at Foreclosure. The Board and or any Unit Owner shall have the power and authority to bid and purchase, for and on behalf of the Association or said Unit Owner, any Unit, or interest therein, at a sale pursuant to a deed of trust or mortgage foreclosure, a foreclosure of the lien for common expenses under the Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of Unit Owners owning at least 50% of the total ownership of the Common Elements. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid and pay for said Unit.

(b) Financing of Purchase by Association. If the Association purchases a Unit, the Board shall have authority to make such mortgage arrangement 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.

(c) The Association shall have the power to 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 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 not less than seventy-five (75%) percent of the total ownership of the Common Elements first authorize the sale for such lesser amount.

(d) The board may adopt rules and regulations, from time to time, no inconsistent with the provisions of this paragraph 16, for the purpose of implementing and effectuating said provisions.

(e) In the event of any transfer of a Unit, or any interest therein, the transferee shall be jointly and severally liable with the transferor for all unpaid assessments of the transferor accrued and payable prior to the date of the transfer.

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

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 pursuant 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 cases to be used together, as aforesaid; (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), including without limitation, reasonable access and ingress to and from the other Units in the hallway affected by any such alteration.

The Common Elements shall be used only 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. 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 of all of said Common Elements.

18. 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, or a Unit Owner if either the Board or Association fail to act, shall have each and all of the rights and remedies which may be available at law or in equity, and may prosecute an action or other proceedings 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 in paragraph 8(b) and as provided hereinafter in this paragraph 18, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of 12% per annum unit paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for nonpayment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property, provided, however, that such lien shall 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 hold either takes possession of the Unit, accepts a conveyance of any

interest therein (other than as a security) or files suit to foreclose its mortgage or deed of trust. In the event of 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 of record of mortgage and deed of trust liens against Units in the Building.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board or the other Unit Owner the right, in addition to any other rights provided for in this Master Deed; to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach 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 the other Unit Owner, 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 or the other Unit Owner shall have the power to file an action in equity against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Property shall be sold (subject to the lien of any existing deed of trust more mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court may 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 report 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 int eh Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed.

19. Amendment. The provisions of this Master Deed may be changed, modified or rescinded by an instrument in writing, setting forth such change, modification or rescission, signed by Unit Owners owning not less than one hundred (100%) percent of the total ownership of Common Elements and acknowledged, provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument.

However, if the Act, the Master Deed or the 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 or the provisions of the preceding two 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.

20. Notices. Notices provided for in the Act, Master Deed 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 their then current address as then listed in the telephone directory for Nashville, Tennessee, or at such other address as hereinafter provided. The Association or Board may designate a different address or addresses for notice 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 notice to him 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 acknowledgement of the receipt thereof.

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

21. Severability. If any provision of the Master Deed of 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 or the By-Laws shall be construed as if such invalid part was never included therein.

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

23. 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 Master Deed. All future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Master Deed. Any restrictions or rules in the 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 Master Deed by reference. All rights, benefit and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefits of such grantee in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners, tenants and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the By-Laws appended hereto and recorded herewith, pursuant to the Act, as they may be amended from time to time. Anything herein to the contrary notwithstanding, the Act shall govern in the event of a conflict between the language thereof and hereof. The acceptance of a deed of conveyance, devise or of a lease to a Unit. or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the said 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 Master Deed, 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 Master Deed, 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.

24. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title holding trust, under the terms of which

all powers of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficiary interest of any such trust or any transfer of title to such Unit.

25. Condemnation. In the event of a taking in condemnation or by eminent domain of a part of the Common Elements, as specifically shown on the plat, 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 the basis of each Unit's percentage of ownership in the Common Elements. Anything herein to the contrary notwithstanding, in the event of a condemnation of any Unit or the Limited Common Elements appurtenant to that Unit, the condemnation proceeds shall be payable to the Unit Owner directly affected by the condemnation, or to the Unit Owner's mortgagees of record, according to the rights of such mortgagees of record.

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

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

(b) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution or dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless the Developer, (its successors or assigns) and members of the Association entitled to cast 100% of the total votes of all members entitled to vote has been recorded, agreeing to such dedication, transfer, purpose or condition; and

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

IN WITNESS WHEREOF, the undersigned has caused this document to be executed by its duly authorized officer on this 1st day of May, 1990.

DEVELOPER:

GRISSIM REALTY COMPANY, a Tennessee corporation

BY: J.M. Grissim

Title: Secy

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, a Notary Public, J.M. Grissim, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Secretary of Grissim Realty Company, a Tennessee corporation, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 1st day of May, 1990.

Michelle House

NOTARY PUBLIC

My Commission Expires: 5-20-92

jmg\taramast.ded

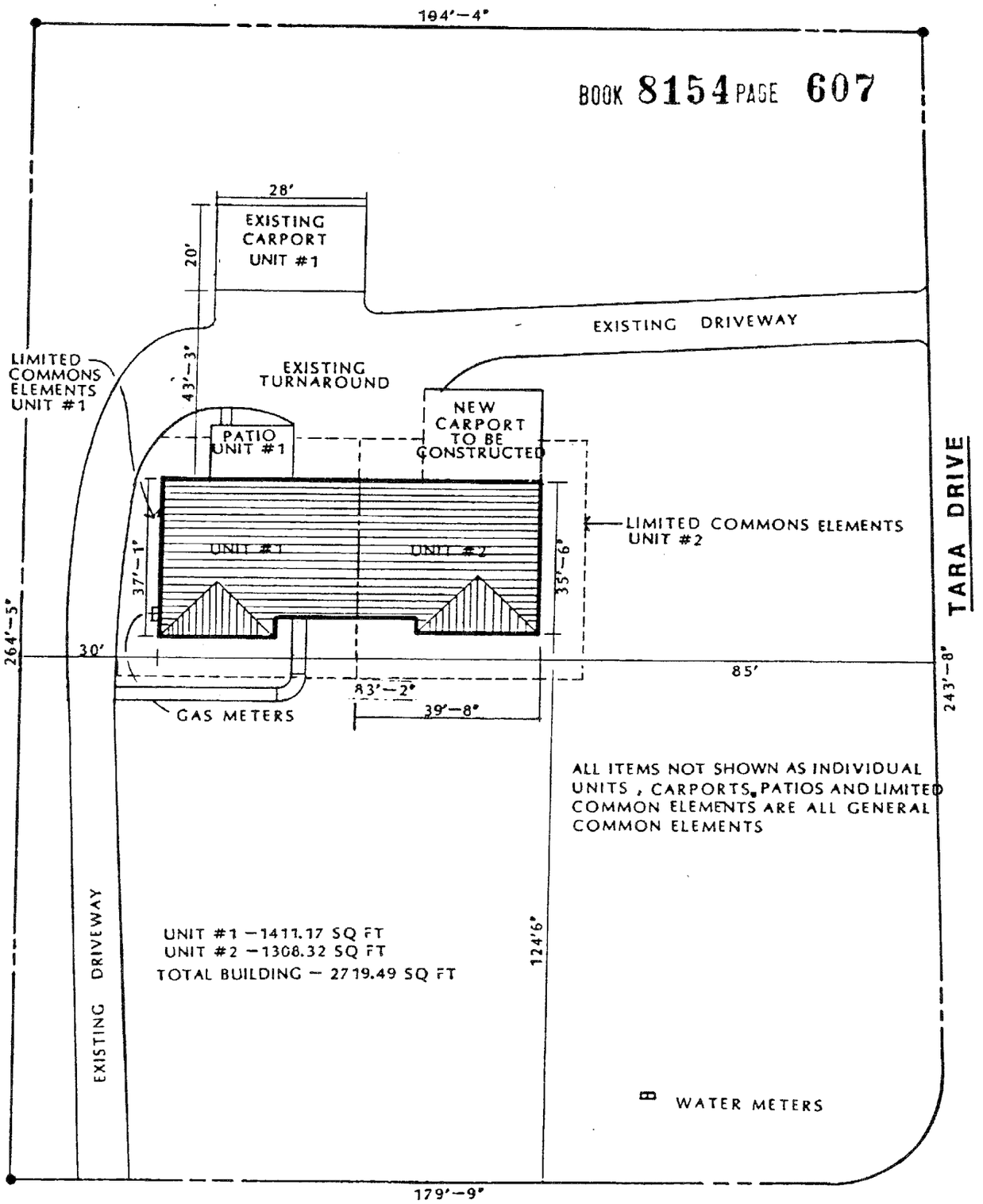
EXHIBIT "A"

Land in Davidson County, Tennessee, being Lot No. 27 on the Plan of Seven Hills, Section III, of record in Book 2663, page 89, Register's Office for said County, described as follows:

Beginning at a point in the south margin of Harding Place at the corner of Lots Nos. 27 and 28; thence with the line between said Lots, southerly 264.5 feet to a corner of Lot No. 26; thence wiith Lots No. 26 and 27, westerly 194.4 feet to the east margin of Tara Drive; thence with the margin of the same, northerly 243.8 feet to the beginning of a curve; thence around said curve, northeasterly 39.49 feet to the south margin of Harding Place; thence with the margin of the same, easterly 179.9 feet to the point of beginning.

Being the same property conveyed to Grissim Realty Company by deed from James C. Fox, Jr. and wife, Betty S. Fox of record in Book 5249, page 155, in the Register's Office in Davidson County, Tennessee.

jmg\tara.exa



HARDING PLACE

SITE PLAN

SCALE 1"=30'

EXHIBIT "B"

1545 HARDING PLACE
LOT-27 SECTION-3
SEVEN HILLS SUBDIVISION
OF RECORD IN PLAT BOOK 2663
PAGE 89 RODC TN

EXHIBIT "C" BOOK 8154 PAGE 608

BY-LAWS

OF

TARA

HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION. The name of the association is Tara Homeowners Association, hereinafter referred to as the "Association". The principal office of the Association shall be located at 1545 Harding Place Road, Nashville, Tennessee 37215, 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 Tara Homeowners Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Master Deed of Tara Homeowners Association, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall have the same meaning as set forth in the Master Deed.

Section 4. "Unit" shall have the same meaning as set forth in the Master Deed.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit which is a part of the Property, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Grissim Realty, Inc., a Tennessee corporation, its successors and assigns.

Section 7. "Master Deed" shall mean and refer to the Master Deed to which these Bylaws are attached.

Section 8. "Member" shall mean and refer to the Owners. The membership of each Owner shall terminate when he ceases to be a Unit Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest.

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 on the same day of the same month of each year thereafter, at the hour of 7:30 o'clock p.m. 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 Meeting of the Members may be called at any time by the president or by the Board of Directors, or upon written request of any Member.

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 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 case, or of proxies entitled to case, seventy-five (75%) percent of the Members 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. 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

Unit.

Section 6. Voting. The Owner(s) of a Unit or Units shall be entitled to cast one (1) vote for each Unit owned. A majority vote shall be required to approve any item which requires the Owners' consent.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of two (2) directors, who shall be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect the directors for terms of one year; and at each annual meeting thereafter the Members shall elect directors for the subsequent one year term.

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 after the approval of the Owners 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 upon the approval of the Owners.

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

ELECTION OF DIRECTORS

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 and these Bylaws. 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, unless waived by the Directors, 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 other 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 rule 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 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 60 days 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 provisions 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 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; (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 Unit at least thirty (30) days in advance of each annual assessment period;

(2) send written notice 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 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;

(h) procure and maintain adequate Director's Liability Insurance as it may deem appropriate.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and secretary/treasurer, who shall at all times be Members of the Board of Directors, 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 this 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. All such appointments must be approved by the Members. 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

(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, contracts and other written instruments and shall co-sign all

checks and promissory notes.

Secretary/Treasurer

(b) The secretary/treasurer shall record the votes and keep the minutes of all meeting 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.

In addition, the secretary/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; at request of the Members 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 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 for the cost of such copying.

ARTICLE XI

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 the rate of twelve (12%) percent per annum, and 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 any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Unit.

ARTICLE XII

USE AND OCCUPANCY RESTRICTIONS

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

Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit which may increase the cost or cause the cancellation of insurance on other Units or on the common Elements. No Unit Owner shall display, hang, store or use

any clothing, sheets, blankets, laundry or other articles outside his Unit. or which may be visible from the outside of his Unit (other than draperies, curtains, or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of his Unit, or install outside his Unit any canopy or awning, or outside radio or television antenna, or C. B. radio transmitters, or other equipment, fixtures or items of any kind, without the prior written permission of the Board. The foregoing restrictions as to use and occupancy shall not be construed to prohibit a Unit Owner from placing and maintaining outdoor furniture and decorative foliage of a customary nature and appearance on a patio which is a Limited Common Element appurtenant to his Unit. No owner of a Unit, shall display, hang, store or use any sign outside his Unit, in a hallway or elsewhere, or which may be visible from the outside of his Unit without the prior written permission of the Board.

No structure of a temporary character, trailer, tent, shack, garage, barn, or other out-building shall be permitted on the Property at any time temporarily or permanently, except with: 1) the prior written consent of the Board, or 2) as provided in paragraph 14 of the Declaration; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Buildings or any portion thereof.

Section 2. Animals. No animals shall be raised, bred or kept in any Unit, except for dogs, household cats, fish and small birds owned as household pets by a Unit Owner, provided that said pet is not kept for any commercial purpose, and provided that said pet

shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted or approved by the Board, and provided that said pet shall not in the judgment of the Board constitute a nuisance to others.

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

Section 4. Activities. The Board may from time to time reasonably prohibit certain activities in the regime and such prohibition shall be final and binding upon all co-owners.

Section 5. Tanks. No exposed above-ground tanks will be permitted for the storage of fuel, water or any other substance.

Section 6. Mail Boxes. Mail boxes of a type consistent with the character of the regime shall be selected and placed by the Owner of each Unit and shall be maintained by the Owner to complement the residence and the neighborhood.

Section 7. Clotheslines. Outside clotheslines will not be permitted on any parcel without the prior written consent of the Board.

Section 8. Signs. No signs shall be erected or maintained on any parcel, except one professional lettered, building or realtor sign, or sign of the Owner advertising the residence and lot for sale or rent. Such signs shall not be more than 24 x 36 inches in size.

Section 9. Maintenance of Property. The Board reserves the right to cut grass and weeds on any lot or Common Element and

charge the cost of such cutting to the Unit Owner involved or to the Association depending upon the ownership of the same.

Section 10. Outside Lights. No new outside lights shall be permitted except with the written permission.

Section 11. Storage. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall only be stored or kept in the Unit, Unit storage room, or garage of the respective Unit. Storage of boats, trailers, campers, and motor homes on the Property shall be subject to the rules and regulations of the Board applicable thereto.

Section 12. 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 connection any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board.

ARTICLE XIII

MORTGAGES

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

Section 2. Notice of Unpaid Common Charges. The Board whenever so requested in writing by a mortgagee of a Unit, shall

promptly report any then unpaid common charges due from, or any other default by the owner of the mortgaged Unit.

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

Section 4. Examination of Books. Each Unit Owner and mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more often than once a month.

Section 5. Interest of Valid First Mortgagee. The interest of a valid First Mortgagee shall be superior to the interest of the Board in the event of a default, and nothing in this instrument shall be construed to the contrary. As used herein, a "First Mortgagee" shall include the holder of a home equity line of credit so long as such holder is a recognized financial institution. If the First Mortgagee has incorporated the terms of these By-Laws, the Master Deed and the contract in its Deed of Trust, then said First Mortgagee may at its option declare a default in its Deed of Trust by reason of any default hereunder, and may proceed to enforce its rights according to the terms of its Deed of Trust notwithstanding any enforcement instituted by the Board.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of one hundred (100%)

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of one hundred (100%) percent of the Member.

Section 2. 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 that these By-Laws are recorded in the Register's Office for Davidson County, Tennessee.

IN WITNESS WHEREOF, the undersigned has caused this document to be executed by its duly authorized officer on this 1ST day of May, 1990.

DEVELOPER:

GRISSIM REALTY COMPANY, a Tennessee corporation

BY: J. M. Grissim

Title: Secretary

42064

TENNESSEE REGISTER'S OFFICE JUL 17 1 39 PM '90 DAVIDSON COUNTY

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