RE-RECORD

BOOK 8164 PAGE 151

THIS INSTRUMENT PREPARED BY:
James C. Dale, III, Attorney
162 Fourth Avenue, North
Suite 205 Ambrose Building
Nashville, Tennessee 37219

BOOK 7977 PAGE 92

MASTER DEED FOR LAKESIDE RETIREMENT VILLAGE CONDOMINIUMS
6TH & JONES STREETS
OLD HICKORY, TENNESSEE

THIS MASTER DEED FOR LAKESIDE RETIREMENT VILLAGE CONDOMINIUMS, made and entered into by OLD HICKORY NAZARENE RETIRMENT CENTER, INC., a Tennessee corporation (hereinafter referred to as "Developer"), for itself, its sucessors and assigns,

WITNESSETH:

WHEREAS, Developer is the owner of the legal title to the following real property (the "Property") located at 6th & Jones Streets, Old Hickory, District of Davidson County, Tennessee, Councilmanic District, and more particularly described as follows:

Being a tract of land in the Second Civil District, Old Hickory, Davidson County, Tennessee, bounded on the east by the Cumberland River, located east of 6th Street and Jones Street, more particularly described as follows:

Beginning at a point in the easterly margin of Jones Street, southerly 165 feet more or less from the center line of 5th Street extended, southeasterly 194.89 feet from said margin of Jones Street to a concrete monument, the point of beginning; thence, south 89 degrees 19 minutes east, passing a witness iron pipe at 188.68 feet, 349.68 feet to the low water line of the Cumberland River; thence with said low water line of the Cumberland River, south 3 degrees 16 minutes east, 428.71 feet; thence, leaving the Cumberland River, north 89 degrees 18 feet west, passing a witness iron pin at 266.00 feet, 379.63 feet to a concrete monument; thence, north 00 degrees 44 minutes east, 427.52 feet to a concrete monument, the point of beginning. Containing 3.580 acres, more or less.

Being the same property conveyed to Old Hickory Nazarene Retirement Center, Inc., a Tennessee corporation, by Warranty Deed from Raymond B. Hurd, Trustee for Lakewood Venture, a Tennessee joint venture, of record in Book ____, page ____, Register's Office for Davidson County, Tennessee.

The subject property is encumbered by various easements for utilities and a flowage easement set out of record in Deed Book 1018, page 190, Book 1585, page 315, Book 1606, page 267, and Book 2249, page 151, R.O.D.C., Tennessee.

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

WHEREAS, 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 intends that all future owners, occupants, mortgagees, and any other persons hereafter acquiring any interest in the Property shall hold said interest subject to certain rights, easements, 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 cooperative aspects of ownership and use of the Property and are established for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Property; and

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

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

(a) "Act" means the Horizontal Property Act of Tennessee as set forth in Tennessee Code Annotated, Sections 66-27-101, et seq.

(b) "Association" means the Lakeside Retirement Village Condominiums Association, Inc., a not-for-profit corporation.

(c) "Board" means the Board of Directors of the Association.

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

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

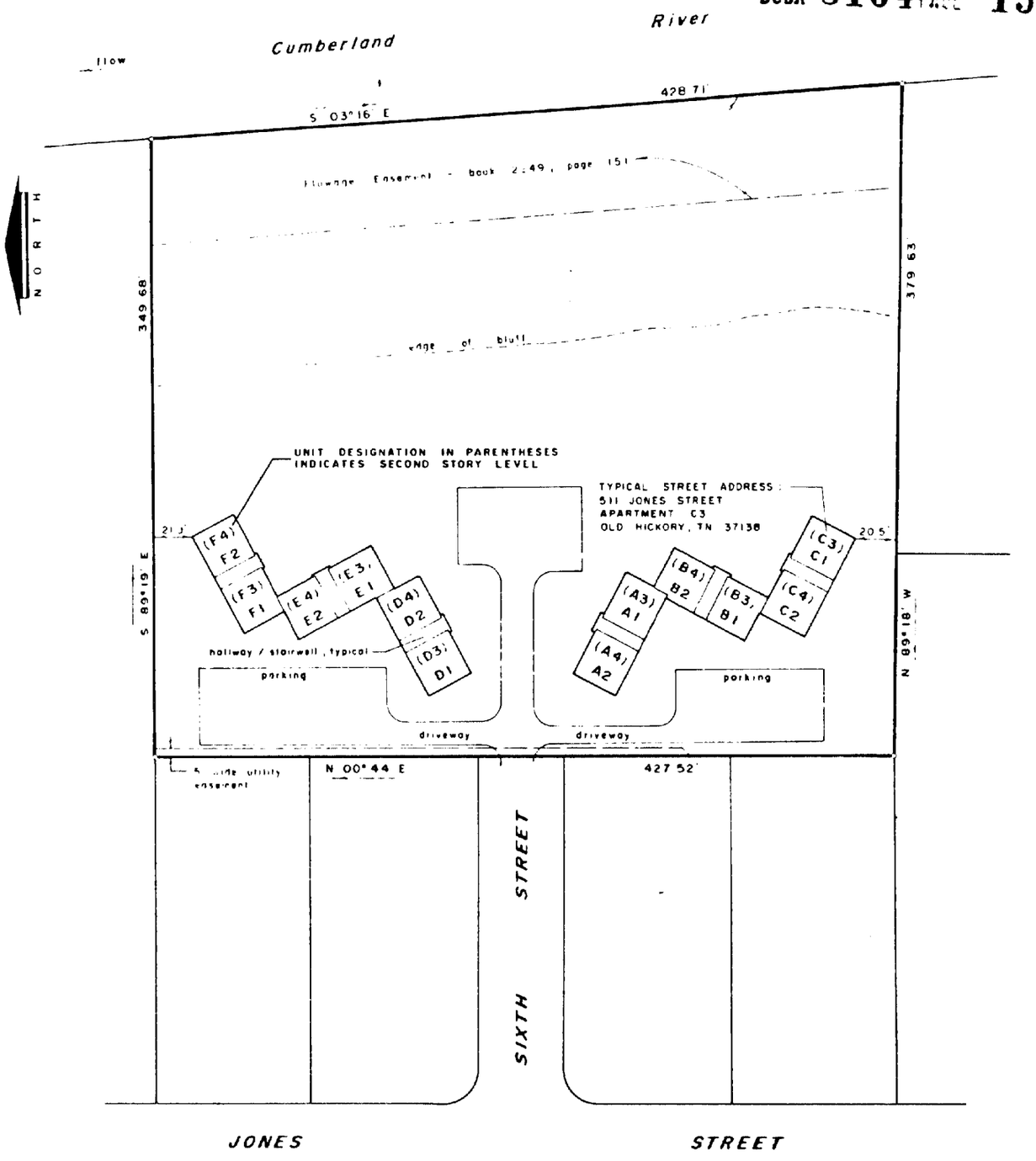
(1) The Parcel.

(2) All foundations, bearing walls, girders and columns, roofs, beams and supports.

(3) All exterior walls of the building not including the portions thereof on the office and retail outlet side of the drywall or paneling of such walls within the Units; and the portions between the office and retail outlet sides of walls and partitions between Units. No Unit Owner shall be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceilings, windows and doors bounding his Unit, nor shall such Unit Owner be deemed to own the utilities (without limitation) running through his Unit which are utilized for, or serve more than one Unit, except as a right in common to share the same with the other Unit Owner. A Unit Owner, however, shall be deemed to own and shall have the exclusive right to paint, re-paint, tile, wax, paper, or otherwise refinish and decorate the interior surfaces of the walls, floors, ceilings, windows, and doors bounding his Unit.

Exhibit A to Master Deed establishing LAKESIDE RETIREMENT VILLAGE CONDOMINIUM

BOOK 8164 PAGE 153



I HEREBY CERTIFY THAT THE INFORMATION GIVEN HEREON BEING BASED IN PART ON DEED OF RECORD IN BOOK 7904, PAGE 555, R.O.D.C., TENNESSEE, IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

THIS PLAT IS COMPILED PURSANT TO SECTION 66-27-107 OF THE TENNESSEE CODE ANNOTATED

Early C. Thornton, Jr.
1139 Derbytown Drive
Nashville, Tennessee 37207
(615) 868-3422
July 24, 1990

EACH UNIT CONTAINS APPROXIMATELY 750 GROSS INTERIOR SQUARE FEET

UNIT DESIGNATION	PROPERTY MAP 44-11-A PARCEL NUMBER
A1	101
A2	102
A3	103
A4	104
B1	201
B2	202
B3	203
B4	204
C1	301
C2	302
C3	303
C4	304
D1	401
D2	402
D3	403
D4	404
E1	501
E2	502
E3	503
E4	504
F1	601
F2	602
F3	603
F4	604

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

LAKESIDE RETIREMENT VILLAGE CONDOMINIUM

OLD HICKORY · DAVIDSON COUNTY · TENNESSEE

graphic scale feet

80 60 40 0 80 160

(4) All compartments or installations of central services such as power, lights, telephones, gas, cold and hot water, reservoirs, tanks, pumps, incinerators, and all other mechanical installations and appurtenances thereto and space therefor whether located in common areas or within Units.

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

(6) All sewer pipes.

(7) All other elements of the building desirable or rationally of common use or necessary to the existence, upkeep and safety of the condominium regime established by this Master Deed.

The Common Elements shall remain undivided and shall not be the subject of an action for partition.

(g) "Developer" means Old Hickory Nazarene Retirement Center, Inc., a Tennessee corporation located in Old Hickory, Tennessee, its successors and assigns, provided such successors or assigns are designated in writing by Developer as a successor or assign of the rights of Developer set forth herein.

(h) "Limited Common Element" means all Common Elements contiguous to and serving exclusively a single Unit or one or more adjoining Units as an inseparable appurtenance thereto, the enjoyment, benefit, or use of which is reserved to the lawful Occupants of such Unit or Units either in this Master Deed on the Plat or by the Board. Said Limited Common Element shall include, but shall not be limited to, any separate furnace, air conditioner or water heater located within or adjacent to a Unit and serving only such Unit, pipes, ducts, electrical wiring and conduits located entirely within a Unit or adjoining Unit serving only such Unit or Units, and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows and entry ways, and all associated fixtures and structures therein, as outside the Unit boundaries.

(i) "Majority" for voting purposes shall mean more than fifty (50%) percent of all votes entitled to be cast at any meeting of unit owners. See 5 (a) below.

(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 legal entity capable of holding title to real property.

(n) "Plat" means the plat or survey of the Parcel submitted to the provisions of the Act, showing the Buildings expressing the parcel area, location and other data necessary for identification, which such Plat is now made a part hereof and recorded simultaneously with the recording of this Master Deed.

(o) "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 Buildings, and all easements, rights, or appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment, if any, intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted under the provisions of the Act.

(p) "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor in the buildings, which enclosed space is not owned in common with the Unit Owners of other Units. Each Unit, once the dimensions are established, from time to time, shall be set forth on the Plat, through amendment thereto.

The boundaries of each Unit shall be and are the interior surfaces of its perimeter walls, floors and ceilings, and a Unit includes both the portion of the Buildings so described and the air space so encompassed, excepting Common Elements. Any Unit may be jointly or commonly owned by more than one Person. It is intended that the term "Unit" as used in this Master Deed shall have the same meaning as the term "Apartment" as used in the Act.

(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. 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 Act.

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

4. Units. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat, as determined from time to time. Every deed, lease, mortgage, deed of trust or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, none of the Common Elements or general Common Elements shall, by deed, plat, court decree or otherwise, be subdivided or in any other manner cause same, once established, to be separated into any tracts or parcels different from the whole property as shown on the Plat.

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

(a) There has been formed an Association having the name "Lakeside Retirement Village Condominiums Association, Inc.", a Tennesseee not-for-profit corporation ("Association"), which Association shall be the governing body for all 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 B and made a part hereof. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the 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 for the sole benefit of Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners in accordance with the provisions of the Master Deed and By-Laws. Each Unit Owner shall be a member of the Association so long as he is a Unit Owner. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. The total number of votes which shall be eligible to be cast at any meeting of the Association shall be equal to the total number of square feet which all Unit Owners have purchased in the building exclusive of general and limited common elements. Each Unit Owner shall have a number of votes at such meetings equal to the number of square feet owned separately by said Unit Owner.

(b) Management of Property. The Board shall have the authority to engage the services of an agent (hereinafter sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board. The cost of such services shall be a common expense, as defined in paragraph 10 below.

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

(d) 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 act or omissions found by a court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each of the Directors, Board, officers or Developer, and their respective heirs, executors, administrators, successors, and assigns in accordance with the provisions of Article VII of the By-Laws.

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

7. Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as finally recorded and made a part hereof as Exhibit C hereto as though fully set forth herein. The percentages of ownership interests set forth herein shall remain constant unless hereafter changed by recorded amendment to this Master Deed consented to in writing by the Unit Owners in accordance with paragraph 21 below. 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 separately from the percentage of ownership in the Common Elements corresponding to each Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the fee title to that Unit. Such Common Elements are not the subject of any partition act.

8. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the Property subject to leases made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to not only each Unit Owner, but also to his agents, customers, invitees, and licensees. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving such Unit along or with adjoining Units. 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 the easements with respect to parts of the Common Elements subject to the provisons of the Master Deed and By-Laws. All income derived by the Association from leases, concessions, or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

9. Storage Areas. Any storage areas on the Property, except those inside the Units and those which are Limited Common Elements, shall be part of the Common Elements and shall be allocated and re-allocated from time to time, to the respective Unit Owners in such manner and subject to such rules and regulations as the Board may prescribe, and storage areas not so allocated may be rented in such manner as the Board may prescribe.

10. Common Expenses.

(a) 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 conformity with the Master Deed and By-Laws (which expenses are herein sometimes referred to as "common expenses") including, but not limited to, the maintenance and repair thereof and any and all replacements and additions thereto. Except for 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 his percentage of ownership in the Common Elements 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, after said common expenses become due and payable, shall consitute a lien on the interest of such Unit Owner in his Unit and in the Property as provided in the Act. The sale or conveyance of a Unit shall in

all cases be subject to all unpaid assessments against the Owner thereof for his pro-rated share in the expenses of administration and of maintenance and repair of the general Common Elements and of the Limited Common Elements and, if the same are not paid by the Owner thereof, to date of sale or conveyance, shall be a lien against the Unit and shall be paid by the new owners thereof. Likewise, all taxes and other levies and assessments by governmental tax bodies shall be a lien against the individual Units.

(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's fees, a lien is expressly retained by the Association on each and every Unit Owner's Unit and pro-rata interest in the Common Elements.

(c) Mortgage and Deed of Trust Protection. The lien for common expenses paid by a Unit Owner 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 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, except a conveyance of any interest therein (other than as security) or forecloses its mortgage or deed or trust. This sub-paragraph (c) shall not be amended, changed, modified, or rescinded without the prior written consent of all mortgagees and beneficiaries of record.

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

12. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his Unit and for 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 taxes on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements, and, in said event, such taxes shall be a common expense.

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

the Common Elements, as set forth in Exhibit C, and for the holders of 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 a common expense. However, at the option of the Board, and upon written notice to all Unit Owners, premiums for such insurance shall be separately billed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements.

In the event of damage to or destruction of any Unit as a result of fire or other casualty covered by other insurance proceeds, the Board shall, in its sole and absolute discretion, determine, and without intervention of any Unit Owner, arrange for the prompt repair and restoration of damaged portions of all affected Units and Common Elements substantially in accordance with the original plans and specifications therefor. Where the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid by all Unit Owners directly affected by the damage, in proportion to each Unit's percentage of ownership in the Common Elements. The Board shall not be responsible for the repair, replacement or restoration of any wall, ceiling, or floor decorations or covering or furniture, furnishings, fixtures, appliances or equipment installed in the Unit by a Unit Owner or Occupant or any other personal property on the Property owned by a Unit Owner or Occupant unless insurance therefor is specifically provided for in the insurance policy obtained by the Board. The Board in its sole discretion shall determine which Unit Owners are directly affected by the damage.

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of the Units and Common Elements are destroyed or damaged by fire or other casualty, as determined by the Board. In such case and unless otherwise unanimously agreed upon by the Unit Owners, the insurance proceeds shall be delivered to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the percentage interests of each Unit Owner in the Common Elements; and the Board, as soon as reasonably possible and as agent for the Unit Owners, shall sell the property, in its then condition, free from the affect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale, and the net proceeds of all insurance policies shall thereupon be distributed to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the percentage interest of each Unit Owner in the Common Elements. If the Board fails to consummate a sale pursuant to this paragraph within twenty-four (24) months after the destruction or damage occurs, then the Board shall, or if they do not, any Unit Owner or mortgagee may, record a sworn declaration setting forth such failure and reciting that under the provisions of this Master Deed the prohibition against judicial partition provided for in this Master Deed has terminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, this declaration shall terminate.

Reconstruction also shall not be compulsory where the whole or more than two-thirds (2/3) of any Unit is destroyed as determined by the Board. In such case, and unless otherwise simultaneously 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 in proportion to their respective common interests as determined in the sole discretion of the Board, after paying from the share of such affected Unit Owner the just amount of any unpaid liens on his Unit, in the order of priority of such liens. Provided, however, that no such disbursement of the aforesaid insurance proceeds

shall occur, unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quitclaiming his interest in his Unit or affected portion thereof to the Association and also delivers to the Board a recordable release of any liens on his Unit or affected portion thereof. Upon the recording of the aforesaid deeds and releases, each such Unit or affected portion thereof shall be deemed thereafter to be Common Elements. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be re-allocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, as determined by the Board. After the Board has effected any such withdrawal, the responsibility for the payment of assessments for any such withdrawn Unit or portion thereof shall cease.

The Board shall also have authority to and shall obtain comprehensive public liability insurance, in such amounts as it deems desirable, and worker's compensation insurance and other liability insurance it deems desirable, insuring each Unit Owner, mortgagee of record, if any, the Association, its officers, Directors, and Board and employees, and the Developer 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, the premiums for such insurance shall be separately billed to each Unit Owner for his corresponding percentage of ownership in the Common Elements. The Board shall retain in safekeeping any such public liability policy for a period of twenty (20) years after the expiration date of the policy.

The Board shall also have authority to and may obtain such insurance it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Property and each member of the Board and officer of the Association and member of any committee appointed pursuant to the By-Laws of the Association from liability arising from the fact that said person is or was a Director or Officer of the Association, or 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 the contents of his own Unit and the Limited Common Elements serving his Unit, as well as his additions and improvements thereto, declarations, furnishings 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 damage by hazards above and beyond the extent that his liability loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Unit Owners as part of the common expenses, as above provided, said Unit Owner may, at his option and expense, obtain additional insurance.

14. Maintenance, Repairs and Replacements. Each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his own Unit. Maintenance of, repairs to and replacements within the 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, 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 benefited thereby, and further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to and replacement within the Limited Common Elements to arrange for such maintenance, repairs and replacement in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and sub-contractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom. Provided, however, that if, in order to maintain, repair or replace the electrical wiring, plumbing, or other utilities of a Unit, it shall become necessary to gain entry to another Unit, it shall be the responsibility of the Association to provide such maintenance, repair or replacement, but the cost of such maintenance, repair or replacement may be assessed to the Unit Owners benefited thereby, as hereinabove provided.

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

The authorized representatives of the Association, or 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 alterations required by any governmental authority.

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

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

surfaces within the Unit as above provided and other Limited Common Elements) and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the common expense. All windows forming part of a perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of that Unit.

17. 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 another Unit, as the Common Elements and Units are shown by the Plat, there shall be deemed to be mutual easements in favor of the Owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments, so long as the same shall exist.

18. Transfer of a Unit - First Option to Association.

(a) Unrestricted Transfers. Subject to paragraph (b) below, a Unit Owner may, without restriction under this Master Deed, sell, give, devise, lease or otherwise transfer his Unit, or any interest therein, to any trustee of a trust, the sole beneficiary of which is the Unit Owner. Notice of any such unrestricted transfer shall be given to the Board within five (5) days following consummation of such transfer.

(b) Lease Of Unit. Each Unit Owner may lease his space subject to paragraphs (c) and (d) and the following: A copy of every such lease, as and when executed, shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations under the Master Deed and By-Laws of the Unit Owner making such lease and the lease shall expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions below with respect to the Association's right of first option shall again apply to said Unit.

(c) Notice To Association Of Certain Transfers. Whenever a Unit Owner shall propose to sell, give, devise, lease or otherwise transfer his Unit, or any interest therein, to any person or entity other than a person or entity described in sub-paragraph (a), above, said Unit Owner shall give the Association not less than thirty (30) days prior written notice of the proposed transfer, which notice shall briefly describe the type of transfer proposed by the Unit Owner and shall state the name, address, and financial and character references of the proposed transferee. The notice shall also include a copy of the proposed lease, contract for sale, or other documents, if any, effecting said transfer.

(d) Association's First Option.

(1) If Proposed Transfer Is A Sale Or Lease. If a Unit Owner other than the Developer proposes to sell or lease his Unit or any interest therein to any person or entity other than a person or entity described in sub-paragraph (a) above, for a period of thirty (30) days following the date notice of said proposed transfer is given to the Association, the Association shall have the first right, at its option, to purchase or lease such Unit from said Unit Owner (the "transferring party") upon the terms described in said notice.

(2) If Proposed Transfer Is A Gift. If a Unit Owner, other than the Developer, proposes to make a gift of his Unit or any interest therein to any person or entity other than a person or entity described in sub-paragraph (a), above,

for a period of thirty (30) days following the date notice of said proposed transfer is given to the Association, the Association shall have the first right, at its option, to purchase such Unit. The price to be paid by the Association for such Unit, or interest therein, shall be agreed upon by said Unit Owner (the "transferring party") and the Association, or, if not promptly agreed upon, shall be determined in accordance with the procedures set forth in sub-paragraph (e) below.

(3) If Proposed Transfer Is Upon The Death Of A Unit Owner. If a Unit Owner, other than the Developer, dies, and under applicable law, his Unit, or any interest therein, is subject to a probate proceeding, then during a period of six (6) months after appointment of a personal representative of said deceased Unit Owner, the Association shall have the first right, at its option, to purchase said Unit either from the devisee thereof named in the deceased Unit Owner's Will, if any, or from the appointed personal representative of such deceased Unit Owner who is empowered or authorized to sell the Unit (the "transferring party"). However, the foregoing option shall not apply to any such transfer upon the death of a Unit Owner to a person or entity described in sub-paragraph (a), above. The price to be paid by the Association for said Unit, or interest therein, shall be agreed upon by the Association and said transferring party, or, if not promptly agreed upon, shall be determined in accordance with the procedures set forth in sub-paragraph (e) below.

(e) Determination Of Disputed Purchase Price. If the price paid by the Association for a Unit or interest therein, pursuant to sub-paragraph (d)(2) and (3) above, is not promptly agreed upon, said price shall be equal to the fair market value of the Unit, or interest therein, as determined by an M.A.I. appraiser mutually agreed upon by the transferring party and the Association, and, in the event of no prompt agreement on said appraiser, by a majority decision of three M.A.I. appraisers, one chosen by the transferring party, one chosen by the Association, and the third chosen by the two appraisers. The cost of said appraiser or appraisers shall be paid one-half (1/2) by the transferring party and one-half (1/2) by the Association as a common expense.

(f) Election Not To Exercise First Option. The Board shall have authority, on behalf of and in the name of the Association, to elect not to exercise the Association's first option hereunder, and shall promptly give notice of said election to the transferring party. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of Directors or poll all Directors for the purpose of voting upon whether the Board shall elect not to exercise the Association's first option hereunder. The Association shall be deemed to have elected not to exercise its first option if either (1) the Association notifies the transferring party that it has elected not to exercise its option, or (2) the Association fails to notify the transferring party, before expiration of the applicable option period provided herein, that the Association elects to exercise its option.

If the Association elects not to exercise its first option, in the case of a proposed sale, lease or gift of a Unit, the transferring party may proceed to close said proposed transfer any time within forty-five (45) days after said election. Thereafter, said transfer of the Unit, or any interest therein, shall become again subject to the Association's right of first option, as herein provided.

A certificate executed by the President, Vice-President, Secretary-Treasurer or other duly authorized officer of the Association, certifying that the Association, by its Board, has elected not to exercise its first option, shall be

conclusive evidence of such election and of a Unit Owner's compliance with the provisions hereof. Such a certificate shall be furnished to a Unit Owner upon his compliance with the provisions hereof, provided the Unit Owner requests such certificate from the Association in writing and pays the Association a reasonable fee for said certificate.

(g) Election To Exercise First Option. The Board shall have authority to recommend to the Unit Owners that the Association elect to exercise its option. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of Directors, or poll all Directors, for the purpose of voting upon whether the Board should make such recommendations. In the event the Board decides not to recommend that the Association elect to exercise its option, then notice of the Board's decision shall be promptly given to the transferring party.

In the event the Board shall decide to recommend to the Unit Owners that the Association elect to exercise its option, the Board shall call and hold a meeting of all the Unit Owners, within the twenty (20) days following its determination to recommend such election, for the purpose of voting upon whether the Association will elect to exercise its option. If not less than sixty-six and two-thirds percent (66-2/3%) of Unit Owners, by affirmative vote at such meeting or by written proxy or consent, elect to exercise the Association's option, then the Board shall promptly give written notice of said election to the transferring party.

The Association shall be deemed to have exercised its option hereunder if it tenders the required sum of money to the transferring party within the applicable option period provided herein.

(h) Association's Right To Purchase At A Foreclosure Sale. The Board shall have the power and authority to bid and purchase, for and on behalf of the Association, 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 not less than sixty-six and two-thirds percent (66-2/3%) of the Unit Owners. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid for said Unit.

(i) Financing Of Purchase By Association. The Board shall have authority to make such mortgage arrangements and special assessments proportionately among the respective Unit Owners, and other such financing arrangements, as the Board may deem advisable, in order to close and consummate the purchase or lease of a Unit, or interest therein, by the Association. However, no such financing arrangements may be secured by an encumbrance on an 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.

(j) Miscellaneous.

(1) A transfer or lease of a Unit, or interest therein, by or to the Board, the Developer, or the holder of any deed of trust or mortgage on a Unit which comes into possession of the mortgaged Unit pursuant to remedies provided in such deed of trust or mortgage, or pursuant to foreclosure of such deed of trust or mortgage, or pursuant to a deed (or assignment) in lieu of foreclosure of such deed of trust or mortgage, shall not be subject to the provisions of this paragraph 18.

(2) The Association shall hold title to or lease any Unit, pursuant to the terms hereof, in the name of the Association, or a nominee thereof, delegated by the Board, for the sole benefit of all Unit Owners. The Board shall have the authority at any time to sell, lease or sub-lease 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 not less than sixty-six and two-thirds percent (66-2/3%) of the Unit Owners first authorize the sale for such lesser amount.

(3) All notices referred to or required under this paragraph 18 shall be given in the manner provided in this Master Deed for the giving of notices.

(4) The provisions of this paragraph 18 with respect to the Association's right of first option shall be and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided therein, unless the provisions of this paragraph 18 are sooner rescinded or amended by the Unit Owners.

(5) The Board may adopt rules and regulations, from time to time, not inconsistent with the provisions of this paragraph 18, for the purpose of implementing and effectuating said provisions.

(6) If any transfer or lease of a Unit is made or attempted without complying with the provisions of this paragraph 18, such transfer or lease shall be subject to each and all the rights and options of, and remedies and actions available to, the Association hereunder and otherwise.

(7) 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 transfer.

19. Use And Occupancy Restrictions. Subject to the provisions of the By-Laws, no part of the Property may be used for purposes other than for residential purposes, and the related common purposes for which the Property was designed and as allowed by the zoning ordinance of the Metropolitan Government of Nashville and Davidson County, Tennessee. Each Unit or any two or more adjoining Units used together shall be used as a residence or for such other use as is permitted by this Master Deed, and for no other purpose.

The 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 (1) the expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alterations; (2) such Unit Owner or Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alterations in the event such Units shall cease to be used together, as aforesaid; (3) such alterations shall not interfere with the 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 egress from the other Units in the hallway affected by any such alteration.

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

20. 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 agents, shall have each and all of the rights and remedies which may be provided for in the Act, Master Deed, By-Laws, or said rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or other for enforcement of any lien and the appointment of a receiver of the Unit and ownership interest of such Unit Owner, or for damages for injunction or specific performance, or for judgment for payment or money and collection thereof, 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 twelve percent (12%) per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed to be 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 non-payment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of said common expenses which become due and payable from and after the date on which the said mortgage or deed of trust owner or holder either takes possession of the Unit, accepts a conveyance of any interest thereon (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 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 any mortgage and deed of trust liens against Units in the Buildings.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained shall give the Board the right, in addition to any other rights provided for in this Master Deed; (1) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, or any portion of the Property upon which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents,

shall not thereby be deemed guilty in any manner of trespass, or (2) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuation of any breach; or (3) to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

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

21. Amendment. The provisions of this Master Deed may be changed, modified, or rescinded by an instrument in writing, setting forth such change, modifications, or rescission, signed by not less than sixty-six and two-thirds percent (66-2/3%) of the Unit Owners and acknowledged, provided, however, that all lienholders 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 lienholders 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 lienholders or both as required by the Act or this Master Deed. Change, modification or rescission, whether accomplished under either of 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 provision in this Master Deed may be changed, modified or rescinded so as to conflict with the provisions of the Act.

22. 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 6th and Jones Streets, Old Hickory, Tennessee 37138. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof.

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

23. Severability. If any provision of this Master Deed or the By-Laws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstances, 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 were never included therein.

24. 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 President of the United States, George Bush, and the Governor of the State of Tennessee, Ned McWherter.

25. Rights And Obligations. Each grantee of the Developer, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, 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 restriction 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, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this 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 Tennessee Code Annotated, Section 66-27-111, as such By-Laws may be amended from time to time. The acceptance of a deed of conveyance, devise, or of a lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the said 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 or holder of a first deed of trust and any present or future Unit Owner who enters into such an agreement with a first mortgagee or holder of a first deed of trust. 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 or holder of a first deed of trust, whereupon said first mortgagee or holder of a first deed of trust, after exercising its option to declare default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Unit Owner.

26. Trustee As Unit Owner. In the event title to any Unit is conveyed to a trust, under the terms of which trust agreement 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 Master Deed against such Unit. No claim shall be made against any such trustee personally for payment of any lien or obligation hereunder created and the trustee shall likewise 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 beneficial interest of any such trust or any transfer of title to such Unit.

27. Condemnation. In the event of taking by condemnation or by eminent domain of a part of the Common Elements, the award made for such taking shall be payable to the Board 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 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.

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

(a) The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any member in utilities, ingress and egress, and all other rights in the Common Elements for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations; and

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

(c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common ELements to any public agency or authority for such purposes and

subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution 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 case a cumulative vote in excess of fifty percent (50%) of the total vote of all classes of members entitled to vote has been recorded, agreeing to such dedication, transfer, purpose or condition; and

(d) The right of the Association or the Developer 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 in individual units.

29. 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.

OLD HICKORY NAZARENE
RETIREMENT CENTER, INC.

By: Donald Grange, Sr.

Its: President

"DEVELOPER"

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Diana L. Rust, of the State and County aforesaid, personally appeared J. Donald Grange Sr., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be President of Old Hickory Nazarene Retirement Center, Inc., a Tennessee corporation, the within named bargainor, and that he as such President, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

Witness my hand and seal, this 1st day of August, 1989.

Diana L. Rust
NOTARY PUBLIC

My Commission Expires: 9/26/92

THIS INSTRUMENT PREPARED BY:
James C. Dale, III, Attorney
P. O. Box 2868
Nashville, Tennessee 37219

EXHIBIT B
BY-LAWS OF
LAKESIDE RETIREMENT VILLAGE CONDOMINIUMS ASSOCIATION, INC.

ARTICLE I

MEMBERS
(UNIT OWNERS)

Section 1. Eligibility. The members of Lakeside Retirement Village Condominiums Association, Inc., a Tennessee not-for-profit corporation (hereinafter called "the Association"), shall consist of the respective Unit Owners of the property known as the "Lakeside Village Condominiums" located at 6th & Jones Streets, Old Hickory, Tennessee 37138 (hereinafter called "Property"). (These and other terms are used in these By-Laws as they are defined in the Master Deed for the Lakeside Retirement Village Condominiums ("Master Deed"), to which Deed of Correction these By-Laws are an exhibit. The words "member" or "members" as used in these By-Laws means and shall refer to "Unit Owner" or "Unit Owners", as the case may be, as defined in the Master Deed.) If a Unit Owner is a trust, then the member shall be a beneficiary of such Trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, the member may be an officer, partner or employee of such Unit Owner or beneficiary.

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

Section 3. Regular Meeting. The first regular annual meeting of Unit Owners (the "First Meeting") may be held, subject to the terms hereof, on any date, at the option of the Board, provided, however, that said First Meeting shall be held not less than thirty (30) days and not more than one hundred twenty (120) days after Developer has sold and delivered its deed for 100% of the Units. Subsequent to the First Meeting, there shall be a regular annual meeting of Unit Owners held each year within 15 days of the anniversary of the First Meeting. All such meetings of Unit Owners shall be held at such place in Davidson County, Tennessee, and at such time as specified in the written notice of such meeting which shall be delivered to all Unit Owners at least ten (10) days prior to the date of such meeting.

Section 4. Special Meetings. Special meetings of the Unit Owners may be called by the President or by a majority of the Board of Directors, or by Unit Owners having at least sixty-six and two-thirds percent (66-2/3%) of the votes entitled to be cast at such meeting. Said special meetings shall be called by delivering written notice to all Unit Owners not less than ten (10) days prior to the date of said meeting, stating the date, time and place of said special meeting and the matters to be considered.

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

Section 6. Voting. The aggregate number of votes for all Unit Owners shall be equal to the number of square feet of

the total space occupied by the Unit Owners, excluding the Common and Limited Common Elements. If any Unit Owner consists of more than one person, the voting rights shall not be divided but shall be exercised as if the Unit Owner is one person. The Developer may exercise the voting rights with respect to Units owned by it. Such Unit Owners shall be entitled to cast at all meetings a number of votes equal to the total number of square feet owned by the Unit Owner, excluding Common and Limited Common Element space.

No Unit Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote hereunder until he has cured such default. A Unit Owner shall be deemed to be in default if he has not paid his assessments to the Board, or their agent, within fifteen (15) days after receipt of notice of assessment. A Unit Owner may protest the amount of the assessment, but it still must be paid during the pendency of the protest to the Board.

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

ARTICLE II

BOARD OF DIRECTORS

Section 1. Number, Election And Term Of Office. The Board of Directors of the Association (referred to in the Horizontal Property Act of the State of Tennessee as the "Board of Administration" and sometimes referred to herein as the "Board") shall consist of at least five (5) members (hereinafter referred to as "Directors"). Directors shall be elected at the regular annual meeting of Association members by the vote of Unit Owners, except that the first Directors (hereinafter called "members of the First Board") shall be appointed by the Developer. Those candidates for election as Director receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected. Every Director, except for members of the First Board, shall hold office for the term of three (3) years and until his successor shall be elected and qualified. The members of the First Board shall hold office until the first regular annual meeting of Association members.

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

Section 3. Vacancies. Any vacancy occurring in the Board shall be filled by majority vote of the remaining members thereof, except that a vacant position on the Board which was last filled by a member of the First Board may be filled by a person appointed by the Developer. Any Director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the Director which he succeeds.

Section 4. Meetings. A regular meeting of the Board shall be held within ten (10) days following the regular annual meeting of Unit Owners. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each Director, delivered personally or by mail or telegram. Any Director may waive notice of a meeting, or consent to the holding

of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Director's attendance at a meeting shall constitute his waiver of notice of said meeting.

Section 5. Removal. Any Director may be removed from office for cause by the vote of sixty-six and two-thirds percent (66-2/3%) of the votes of Owners eligible to be cast.

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

Section 7. Quorum. A majority of Directors shall constitute a quorum.

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

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

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

(c) To engage the services of an agent (hereinafter sometimes called the "managing agent") to maintain, repair, replace, administer and operate the Property or any part thereof for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that the First Board, appointed as provided herein, shall ratify and approve any management agreement between the Developer, on behalf of the Association, and any management entity, which will act as managing agent for the Property. Any management agreement can be terminated by the Association for cause upon thirty (30) days' written notice, and the terms of any such agreement shall not exceed a twelve (12) month period;

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

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

(f) To provide for the surveillance, maintenance, repair and replacement of the Common Elements and buildings and payments therefor, and to approve payment vouchers and to delegate such approval to the officers or the manager or managing agent;

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

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

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

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

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

(l) To exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Horizontal Property Act of the State of Tennessee, and all powers and duties of a Board of Administration or a Board of Directors referred to in the Master Deed or by these By-Laws;

(m) To secure insurance policies as required by the Master Deed, and in this regard, annually to review the amounts of coverage afforded by such policies;

(n) To borrow money for the purposes of repair or restoration of Common Elements without the approval of the members of the Association.

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

ARTICLE III

OFFICERS

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

(a) A President, who shall be a Director and who shall preside over the meetings of the Board and of the Unit Owners, and who shall be the Chief Executive Officer of the Association;

(b) A Secretary-Treasurer, who shall keep the minutes of all meetings of the Board and of the Unit Owners, and who shall, in general, perform all of the duties incident to the office of the Secretary, and who may be a representative of the Managing Agent, and who further shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;

(c) Such additional officers, including a Vice-President, as the Board shall see fit to elect.

Any Director may hold more than one office except that no Director may hold more than one office enumerated in (a) or (b) above.

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

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

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the remaining members thereof at a special meeting of said Board. Any Director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of sixty-six and two-thirds percent (66-2/3%) of the total membership of the Board at a special meeting thereof.

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

ARTICLE IV

ASSESSMENTS

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

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Unit Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one-twelfth (1/12th) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective ownership interest in the Common Elements as set forth in Exhibit C of the Master Deed. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessments as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the Managing Agent or as may otherwise be directed by the Board. No Unit Owner shall be relieved of his obligation to pay his assessment by abandoning or not using his Unit, the Common Elements, or the Limited Common Elements.

Section 3. Partial Year Or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year,

shall be less than a full year, the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his Unit, each Unit Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be as computed by the Board.

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

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

Section 6. Expenditures. Except for expenditures and contracts specifically authorized by the Master Deed and By-Laws, the Board shall not approve any expenditure in excess of One Thousand Dollars ($1,000.00) unless required for emergency repair, protection or operation of the Common Elements or Limited Common Elements, nor enter into any contract for more than one (1) year without the prior approval of a majority of the total ownership of the Units.

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

If any unit number shall fail or refuse to make any such payment of the common expenses or limited common expenses when due, the amount thereof, together with interest thereon at the rate of twelve percent (12%) per annum, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Unit Owner in the Property, provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses and limited common expenses which are due and payable from and after the date on which such mortgage owner or holder either takes possession of the Unit, accepts a conveyance of any interest therein (other than as security) or files suit to foreclose its mortgage or deed of trust. The provisions of this paragraph of this Section 7 shall not be amended, changed, modified, or rescinded in any way without the prior written consent of all such lienholders of record.

The Association or its successors and assigns, or the Board or its agents, shall have the right to enforce the lien as provided in paragraph 10(b) of the Master Deed or to maintain a suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with legal interest and reasonable attorneys' fees to be fixed by the court. Furthermore, if any Unit Owner shall fail or refuse to pay when due his proportionate share of the common

expenses or limited common expenses and such Unit Owner withholds possession of his Unit after demand by the Board or the Association in writing setting forth the amount claimed, the Board or the Association shall have the right to possession of such Unit or to halt or inhibit the use of drives, walks and utility services by such defaulting Unit Owner or Occupant, all without liability to such owner or Occupant. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Act, the Master Deed or these By-Laws, or as otherwise available at law or in equity, for the collection of all unpaid debts or assessments.

Section 8. Records And Statement Of Account. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Elements and Limited Common Elements, specifying and itemizing the common expenses and limited common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine. Both the record book and the payment vouchers accrediting the entries made thereupon shall be available for examination by all the Unit Owners at convenient hours on working days that shall be set and announced for general knowledge.

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

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

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

ARTICLE V

USE AND OCCUPANCY RESTRICTIONS

Section 1. General. The Units shall be used only as residences. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done 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 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 CB radio transmitters, or other equipment, fixtures or items of any kind, without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's discretion. No owner of a Unit shall display, hang, store or use any sign outside his Unit, which may be visible from the outside of his Unit without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's direction. The size and nature of any such sign shall conform to the rules and regulations regarding the same which shall be uniformly established by the Board.

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

Section 2. Animals. No animals shall be raised, bred or kept in any Unit, except as may be permitted from time to time by rules and regulations of the Board.

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. Use By Developer. During the period of sale by the Developer of any Units, the Developer, and said Developer's agents, employees, contractors and sub-contractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the buildings and property as may be required for purposes of said sale of Units. In addition, Developer reserves the right to enter into, upon, over or under any Unit for a period of one (1) year after the sale of the Unit for such purposes as may be reasonably necessary for Developer or its agents to finish construction on the Property or serve any Units thereof. While the Developer owns any of the Units and until each Unit sold by it is occupied by the Purchasers, the Developer and its employees may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

Section 5. Storage. Articles of personal property belonging to any Unit Owner, such as furniture and other articles, shall not be stored or kept in the common areas, except in the common storage area, if any, and in any storage locker specifically designated for a Unit Owner by the Board or by the Managing Agent acting in accord with the Board's direction.

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

Section 7. Rules And Regulations. Unit Owners shall be subject to such further restrictions as may be contained in rules and regulations concerning the use of Units and the Common Elements and Limited Common Elements which may be enacted from time to time by the Board. All such rules and regulations shall be binding unless rejected by at least sixty-six and two-thirds percent (66-2/3%) of the votes of Unit Owners and copies of such

rules and regulations and any amendments or additions thereto shall be furnished to all Unit Owners. The Board shall have the right to suspend the enjoyment rights of any Unit Occupant in the Common Elements for a reasonable period of time for infractions of such rules and regulations.

ARTICLE VI

CONTRACTUAL POWERS

No contract or other transaction between this corporation and one or more of its Directors or between this corporation and any corporation, firm, or association in which one or more of the Directors of this corporation are Directors, or are financially interested, is void or voidable because such Director or Directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following sub-paragraphs exist:

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

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

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

ARTICLE VII

INDEMNIFICATION

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

adjudged liable for gross negligence or fraud in the performance of his duties as such Director, officer, Board, committee member, or Developer.

Section 2. Success On Merits. To the extent that the Developer or a member of the Board of Directors or an officer of the Association or a member of any committee appointed pursuant to the By-Laws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of this Article VII, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Such indemnification shall be a common expense, allocable as herein provided.

Section 3. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount.

Section 4. Miscellaneous. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article, provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the Directors, Board, officers, members of such committees, or Developer, or out of the aforesaid indemnity in favor of the Directors, Board, officers, members of such committees, or Developer, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of all of the Unit Owners in the Common Elements. Every agreement made by the Directors, Board, officers, members of such committees, Developer or by the Managing Agent on behalf of the Unit Owners shall provide that the Directors, Board, officers, members of such committees, Developer or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage of all Unit Owners in the Common Elements. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled to under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be a Developer or a member of the Board of Directors, officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE VIII

MORTGAGES

Section 1. Notice Of 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 each mortgagee of a Unit shall be permitted to examine the books of account of the Unit 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. 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 the deed of trust notwithstanding any enforcement instituted by the Board.

ARTICLE IX

DEFINITIONS OF TERMS

The terms used in these By-Laws, to the extent that they are defined therein, shall have the same definitions as set forth in the Master Deed for the Lakeside Retirement Village Condominiums, to which Master Deed these By-Laws are an Exhibit.

The term "member" as used in these By-Laws, means "Unit Owner" as defined in said Master Deed.

ARTICLE X

CONFLICTS

These By-Laws are set forth to comply with the requirements of Tennessee Code Annotated, Sections 66-27-101, et seq., as such statute may be amended from time to time, and to allow the By-Laws to control in specific situations where such law allows. In case any of the By-Laws conflict with the provisions of said statute or of the Master Deed, the provisions of said statute or of the Master Deed, as the case may be, shall control.

ARTICLE XI

AMENDMENTS

These By-Laws may be amended from time to time at a duly called meeting for such purpose upon the affirmative vote of Unit Owners representing ownership of at least sixty-six and two-thirds percent (66-2/3%) of the total value of all Units.

RE-RECORD BOOK 8164 PAGE 182
BOOK 7977 PAGE 122

This the 1st day of Aug, 1989.

OLD HICKORY NAZARENE
RETIREMENT CENTER, INC.

By: J. Gerald Dungan, Sr.

Its: President

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Diana L. Rust, of the State and County aforementioned, personally appeared J. Gerald Dungan, Sr., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the President of Old Hickory Nazarene Retirement Center, Inc., the within named bargainor, a corporation, and that he as such President, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such President.

Witness my hand and seal, this 1st day of August, 1989.

Diana L. Rust
NOTARY PUBLIC

My Commission Expires: 8/26/92

RE-RECORD
45660

IDENTIF. REFERENCE
JUL 31 3 14 PM '90

79541

IDENTIF. REFERENCE

5232 07/31 0101 03CHECK 96.00

1431 11/06 0101 03CHECK 93.00