THIS INSTRUMENT PREPARED BY:
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2700 First American Center
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANSOM VILLAGE

BOOK 9525 PG 187

PREAMBLE

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made and published on or as of the date hereinafter set forth, by and between RANSOM VILLAGE, INC., a Tennessee corporation (hereinafter referred to as "Developer"), and any and all persons, firms corporations hereafter acquiring any of the within-described property

W I T N E S S E T H:

WHEREAS, Developer is the owner of that certain tract of real property that is described on Exhibit A attached hereto and desire to create thereon a residential development with open spaces; and

WHEREAS, it is in the best interest of Developer, as well as to the benefit, interest, and advantage of each and every person or other entity hereafter acquiring any of the property within this development that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed, set forth and declared to be covenants running with the land; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in said development; and

WHEREAS, Developer desires to make provisions concerning the maintenance and ownership of the open spaces located therein; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said development, and to fulfill the foregoing objects, purposes and requirements, to create an entity to which should be delegated and assigned the powers of maintaining and administering the open spaces, administering and enforcing the covenants and

restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has caused or will cause to be incorporated under the laws of the State of Tennessee, a non-profit corporation known as Ransom Village Homeowners' Association, for the purpose of exercising the aforementioned functions;

NOW, THEREFORE, for and in consideration of the foregoing premises, and the terms, conditions and restrictions hereinafter set forth, Developer declares that the real property hereinafter described is and shall be held, transferred, sold, conveyed and occupied subject to the following restrictions, covenants, conditions, easements, assessments and liens, all of which are to be construed as covenants running with the land, which shall inure to the benefit of each owner thereof, and which shall be binding on all parties having or acquiring any right, title or interest in the hereafter described property or any part thereof, whether pursuant to a deed of any kind (including, without limitation, a deed in lieu of foreclosure, a trustee's deed or an installment deed), the exercise of any right or remedy contained in a deed of trust, mortgage or other security instrument or document, or pursuant to any other document, instrument or proceeding whatsoever. Every person or other party hereafter acquiring any of the within described property made subject to this Declaration, by acceptance of a deed to any interest in or to said property, shall take such property interest subject to this Declaration and to the terms and conditions hereof, and shall be deemed to have assented to same.

ARTICLE I

DEFINITIONS

The following words, when used herein, shall have the following meanings:

Section 1. "Association" shall mean Ransom Village Homeowners' Association, a Tennessee not-for-profit corporation,

its successors and assigns, which has as its members all owners of Lots in the Property.

Section 2. "Open Area" shall mean the real property in the residential portion of Ransom Village (including the improvements thereto) designated as open space on the Plat.

Section 3. "Declaration" shall mean this instrument.

Section 4. "Developer" shall mean Ransom Village, Inc., its successors and assigns.

Section 5. "Lot" shall mean any numbered residential lot shown on the Plat.

Section 6. "Lot Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Plat" shall mean the plat of Ransom Village recorded in Book 7900, page 833-844 in the Register's Office for Davidson County, Tennessee.

Section 8. "Property" shall mean the real property constituting the residential portion of Ransom Village, which real property is described on Exhibit A hereto.

Section 9. "By-Laws" shall mean and refer to the By-Laws of Ransom Village Homeowners' Association, which By-Laws are attached as Exhibit B to this Declaration. Notwithstanding Article XII of the By-laws, which specifies that the By-Laws may be amended by a majority of a quorum of Association members, VA shall have the right to veto amendments to the By-Laws that are made prior to the termination of Class B membership in the Association.

ARTICLE II

PROPERTY SUBJECT TO DECLARATION

Section 1. Property Subject to this Declaration. Developer hereby declares that the Property shall be held, sold and conveyed subject to the easements, restrictions, covenants, and conditions of this Declaration, which are for the purpose of protecting the value and desirability of the Property, and which

shall run with the land and be binding on and inure to the benefit of all parties having any right, title or interest in the Property or any part thereof, and their heirs, devisees, executors, administrators, successors, and assigns.

ARTICLE III

PROPERTY RIGHTS

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

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

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by a Lot Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations; and

(c) the right of the Association to grant permits, licenses, and easements over the Open Area for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of this development.

Section 2. Delegation of Use. Any Lot Owner may delegate his right of enjoyment to the Open Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Lot.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Lot Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

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

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

Class B. The Class B member shall be Developer and shall be entitled to three (3) votes for each Lot owned. Class B membership shall cease and be converted to Class a membership on the happening of either of the following events, whichever occurs earlier:

(a) at such time that the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) five years after the conveyance of the first Lot to a Lot Owner other than Developer.

As long as Developer is a Class B member of the Association, the Association shall not enter into, either directly or indirectly, contracts or leases (including management contracts) unless there is a right of termination of any such contract or lease, without cost, which may be exercised without penalty at any time after Developer ceases to be a Class B member, upon not more than ninety (90) days notice to the other party.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessment. Each Lot Owner other than Developer, by acceptance of a deed to his Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) an initial assessment of THIRTY AND NO/100 DOLLARS ($30.00) upon purchase of a Lot, (2) annual assessments or charges, and (3) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Upon cessation of Class B membership, Developer, for

each Lot owned, hereby covenants to pay annual, special, and initial assessments. Prior to the cessation of Class B membership, Developer will not be obligated to pay assessments, but will cover any deficit or shortfall in the Association budget. The initial, annual, and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Lot Owner at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments; Reserve Fund; Working Capital. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Lot Owners, to provide for the maintenance of the Open Area, to pay the fees of any management agent the Association may employ to manage the affairs of the Association, and to pay other reasonable and necessary expenses of the Association.

The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of the improvements to the Open Area. Said fund is to be maintained out of annual assessments for common expenses. The Association shall also maintain a working capital fund comprising the initial assessments called for above. Each Lot's share of the working capital fund shall be collected and transferred to the Association at the time of closing of the sale of each Lot and shall be maintained in an account for the use and benefit of the Association. The purpose of the fund is to assure that the Association will have cash available to meet unforseen expenditures, or to acquire additional equipment or services that are necessary or desirable. Amounts so paid into the fund are not to be considered as advance payment of regular annual

assessments. If the working capital fund proves adequate for any such unforseen expenditure incurred while Developer is a Class B member of the Association, Developer shall cover any deficit or shortfall. Moreover, upon the cessation of Class B membership, Developer will pay initial assessments on all Lots it then owns.

Section 3. Maximum Annual Assessments.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to a Lot Owner, other than Developer, the maximum annual assessment shall be SIXTY AND NO/100 DOLLARS ($60.00) per Lot.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to a Lot Owner (other than the Developer), the maximum annual assessment shall not be increased or decreased by more than five percent (5%) per annum.

(c) From and after January 1 of the year immediately following the conveyance of the first Lot to a Lot Owner, the maximum annual assessment may be increased above said percentage by a vote of fifty-one percent (51%) of each class of Association members who are voting in person or by proxy, at a meeting duly called for this purpose.

(d) The board of directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment in order to pay for, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Open Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Association members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4

of this Article V shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the requirement quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to Lots not owned by Developer on the first day of the first month following the deed of the first Lot to a Lot Owner. As to Lots owned by Developer while Developer is a Class B member, the annual assessments shall commence as to each Lot when the improvements constructed on the Lot are completed and ready for occupancy; provided, however, Developer will cover any expenses incurred while Developer is a Class B member that are payable out of annual Assessments to the extent such annual assessments prove inadequate. As to Lots owned by Developer not already subject to annual assessment when Developer to be a Class B member, annual assessments shall commence on the first day of the first month after Class B membership ceases. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The board of directors of the Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Lot Owner subject thereto. The due dates shall be established by the board of directors of the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have

been paid. A properly executed certificate of the Association as to the status of assessments on a Lot shall be binding upon the Association as of the date of its issuance.

Section 7. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment or installment thereof not paid within thirty (30) days after the due date shall be subject to a late charge in an amount established by the board of directors of the Association and shall bear interest from the due date at a rate equal to the highest contract rate allowed by law from time to time. The association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien against the Lot judicially. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Open Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments on any Lot provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Lot. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to first mortgage foreclosure or any proceeding in lieu thereof, however, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Any such delinquent assessments which are extinguished pursuant to the foregoing sentence may be reallocated and assessed to all Lot Owners as a common expense. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien therefor.

Section 9. Payment of Assessments. All annual assessments shall be payable annually. The Association may allow special assessments to be paid in such installments as it deems necessary and proper.

ARTICLE VI

INSURANCE

Section 1. Open Area. Subject to the minimum requirements set forth below, the Association shall keep in force and maintain such liability and other insurance as it shall deem necessary relating to the Open Area. The Association may also insure any other property, whether real or personal, owned by the Association, against such hazards as may be deemed desirable by the Association. Premiums for all insurance carried by the Association shall be part of the expenses covered by the annual assessments of the Association. At a minimum, the Association shall maintain extended coverage, all-risk hazard insurance (100% of replacement cost) for any improvements on the Open Area. If they are available, said policy shall have agreed amount and inflation guard endorsements, a construction code endorsement, if applicable, steam boiler and machinery coverage, if applicable, a stipulation that it will not be canceled without then days prior notice, and a waiver of subrogation rights against Lot Owners. The Association shall also maintain flood insurance if the Open Area is in the federal flood hazard area and liability insurance covering damages resulting from operation, maintenance, or use of the Open Area, and liability related to employment contracts of which the Association is a party. The amount of such liability insurance shall not be less than $1,000,000 (combined single limit) and the policy shall provide that there shall be no denial of coverage because of a Lot Owner's claim of negligence of the Association or of her Lot Owner(s). Finally, said policy shall provide that it will not be canceled, except on ten days prior notice.

The foregoing to the contrary notwithstanding, the Association shall maintain such other or additional insurance as may be required from time to time by the Federal National Mortgage Association ("FNMA") guidelines.

Section 2. Lots. Insurance against damage by fire or other casualty to the improvements on any Lot, liability insurance with

respect to occurrences on any Lot, and other insurance relating to each Lot shall be the responsibility of the individual Lot Owners.

Section 3. Fidelity Bonds.

(a) Blanket fidelity bonds will be maintained by the Association for all officers, directors, trustees, and employees of the Association handling or responsible for funds of or administered by the Association or any other persons handling or responsible for funds of or administered by the Association. Further, in the event the Association delegates some or all of the responsibility for the handling of funds to a management agent, a blanket fidelity bond will be required for officers, employees, and agents of such management agent handling or responsible for funds of, or administered on behalf of, the Association.

(b) The total amount of fidelity bond coverage shall be based upon the best business judgment of the officers of the Association and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bond be less than a sum equal to three months' aggregate assessment on all Lots plus reserve funds.

(c) All such fidelity bonds shall:

(i) Name the Association as an obligee;

(ii) Contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar items or expressions; and

(iii) Shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten days' prior written notice to the Association.

(d) Premiums on all such fidelity bonds (except premiums on fidelity bonds maintained by a management agent for

its officers, employees, and agents) shall be paid by the Association as a common expense.

ARTICLE VII

NOTICES AND INFORMATION

Section 1. Notices to Mortgagees. Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor of any first deed of trust lien on any property located in the subject development and the Lot number of address, any such lien holder or insurer or guarantor shall be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the subject development or a Lot on which there is a first deed of trust lien held, insured, or guaranteed by such eligible deed of trust lien holder or eligible insurer or guarantor, as applicable;

(b) Any delinquency in the payment of assessments or charges owed by a Lot Owner subject to a first deed of trust lien held, insured, or guaranteed by such eligible holder or eligible insurer or guarantor, which remain uncured for a period of sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of deed of trust lien holders.

Section 2. Information. The Association shall, upon written request, make available to Lot Owners and to the holders, insurers, or guarantors of any first mortgage, current copies of this Declaration, the attached by-laws, and any other rules concerning this development, and the books, records and financial statements of the Association. "Available" means available for inspection upon request, during normal business hours or under other reasonable circumstances. In addition, the holder of any first mortgage on a Lot shall be entitled, upon written request,

to a financial statement for the Association for the immediately preceding fiscal year.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Developer's Responsibility and Duration. Developer shall have the responsibility of enforcing the provisions of this Article until Developer ceases to be a Class B member of the Association. The board of directors of the Association shall assume and be responsible for the enforcement of the Article thereafter. References to Developer in this Article shall, therefore, apply to the Association after it has assumed the enforcement of this Article.

Section 2. Approval of Plans and Specifications. Before commencing the construction, alteration, or addition of any single family dwelling or appurtenance thereto, the Lot Owner shall submit the building plans, layout, specifications, and site plans of all improvements (collectively "plans") to Developer for written approval. The plans shall include all materials for buildings, driveways, swimming pools, and all other appurtenances and front, rear, and side elevations. Developer shall give his approval or disapproval within thirty (30) days of delivery of said plans by a Lot Owner.

Plans for any improvements must conform to the restrictions as set forth in this Declaration. Developer shall be the sole judge of such conformance or nonconformance and may approve or disapprove plans when, in its sole discretion, it determines that the proposed improvements or any feature of the plans are not architecturally or aesthetically compatible with the overall development.

If Developer approves the plans, the actual construction in accordance with the plans shall be the responsibility of the Lot Owner; provided, however, upon the completion of the improvements, the Lot Owner shall notify Developer, who shall forthwith inspect the improvements for the purpose of insuring compliance with the plans previously submitted.

In the event the Lot Owner fails to complete his construction according to the approved plans or to maintain the improvements situated upon his Lot in a manner satisfactory to the standards set forth by this Declaration, Developer may, after giving twenty (20) days notice in writing to the Lot Owner, and in the event of his continued failure to commence the correction of the matter(s) at issue, enter upon said Lot and complete, repair, maintain, or restore the exterior of the improvements erected thereon. The cost of said correction shall become the personal obligation of the Lot Owner and, until paid, shall be a judicially enforceable lien on the Lot subject only to any lien for unpaid property taxes, to any first mortgage, and to any lien for unpaid assessments.

Developer shall have the right to waive minor violations and allow minor variances where the same resulted unintentionally or without gross carelessness on the part of a Lot Owner and are not materially harmful to the development. If such waiver is granted, then thereafter such matter so waived shall no longer be deemed a violation of these covenants and restrictions.

The approval of Developer of the plans and completed improvements is not intended to be an approval of the structural stability, integrity, or design of a completed improvement or of the safety of any component therein, but is required solely for the purpose of insuring compliance with the covenants and restrictions contained in this Declaration, and further, to insure the harmonious and orderly architectural development and improvement of the Property. Notice is hereby given to any future occupant of any such completed improvement and to all invitees, business guests, licensees, and other persons who may from time to time enter or go on or about such completed improvements that no permission or approval granted by Developer with respect to construction pursuant to this Declaration shall constitute or be construed as an approval by Developer of the structural stability of any building, structure, or other improvement, and no liability shall accrue to Developer in the

event any such construction shall subsequently prove to be defective.

No structure of a temporary nature shall be allowed on any Lot at any time except that of a Lot Owner's contractors and subcontractors during the period of construction or reconstruction of the improvements.

Developer may appoint one or more other persons to aid in the approval or disapproval of any plans but the ultimate responsibility for the enforcement of any and all obligations concerning conformity with the covenants and restrictions placed on the development shall be with Developer.

ARTICLE IX

RESTRICTIONS ON LOT USE, ETC.

Section 1. Land Use. No Lot shall be used except for private single family residential purposes. No structure shall be erected, placed, altered, or permitted to remain on any Lot not in keeping with this purpose.

Section 2. Setbacks. Minimum setback requirements have been established on the Plat, but are not intended to engender uniformity. It is, therefore, intended that setbacks may be staggered where appropriate for the preservation of trees and to assure vistas of open areas. Pursuant to Article VIII of this Declaration, Developer or the Association reserves the right to approve the site plan and location of the dwelling on each Lot and to arrange the same in such manner as it shall deem to be in the best interest of the overall development. However, no part of any structure shall be located on any Lot nearer to the front line nor to the side or rear line than the minimum setback line required by the Metropolitan Government of Nashville & Davidson County.

Section 3. Minimum Dwelling Sizes. The total living area of any one-level dwelling shall contain no less than one thousand (1,000) square feet, exclusive of unenclosed porches, patios, breezeways, and garages. Dwellings of two-levels shall contain

no less than seven hundred (700) square feet of living area on the main level.

Section 4. Construction of Dwellings, Driveways, and Walkways. At least 80% of the exterior surface of any house constructed on a Lot shall be of standard or queen-sized brick or of stucco (Drivit). No house may have metal windows. All driveways and walkways on each Lot shall be constructed of exposed aggregate (brown or grey pea gravel) concrete. No driveway or walk constituted of loose gravel or rock shall be permitted except during construction.

Section 5. Garages, Carports. All garages or carports must be attached to the main dwelling. All garage doors must be made of wood.

Section 6. Dish Antennas, Solar Panels, Incinerators, Clotheslines, Fencing, Fuel Storage Tanks. No visible, large-dish antenna for satellite television sight or sound reception, no solar panels, no incinerators for garbage, trash, or other refuse, no outside clotheslines, and no chain link fencing shall be placed on any Lot. No tank, drum, or other container used to store any inflammable fuel shall be placed on any Lot other than small gasoline cans to serve lawnmowers.

Section . Disposal of Trash. Trash and garbage shall not be allowed to sit in front of any Lot. Garbage and trash to be picked up shall be placed in heavy plastic bags or in plastic or metal garbage cans and shall be put outside for pick-up no earlier than the morning of the day(s) of pick-up.

Section 8. Animals. Only animals traditionally recognized as household pets may be housed on any Lot, whether maintained indoors or outdoors. Owners are expected to observe the Metropolitan Nashville & Davidson County leash ordinance.

Section 9. Signs. Only signs twelve (12) square feet or less advertising the sale of a Lot shall be permitted on any Lot. Reasonable name signs and Lot number signs, however, are permitted.

Section 10. Nuisances. No noxious or offensive activity shall be conducted on any Lot nor shall any commercial activity be carried on by any Lot Owner except that a house may be shown for sale by a Lot Owner, his agent, or a Lot Owner/builder who is in the process of selling a newly constructed house.

Section 11. Uses of Other Structures; Vehicles.

(a) No structure other than the single family dwelling shall be permitted on any Lot except on a temporary basis and with the permission of the board of directors of the Association. Swimming pool cabanas are permitted, however.

(b) No truck in excess of 3/4 ton, trailer, camper, boat, camping vehicle, or commercial vehicle shall be parked on any Lot unless housed in a basement or garage.

(c) No inoperable vehicles shall be parked on any street for any period of time in excess of that reasonably required to repair or tow said vehicles for repair.

Section 12. Lawful Uses. Each owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

ARTICLE x

EASEMENTS

Section 1. General. Developer reserves an easement for ingress and egress generally across the Property at all reasonable times and places, including the Lots, for the purpose of completing Developer's intended development. The easement shall remain a right belonging to Developer for so long as Developer is a Class B member of the Association. The board of directors of the Association shall assume the easement for ingress and egress upon termination of said right in Developer.

Section 2. Emergency. The Association, or any Lot Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations,

liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Lot Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Easements. The Plat contains certain designated easements for roads, utilities, and drainage. These easements so designated on the Plat encumber the Lots as shown on the Plat and are established as perpetual easements. Said easements are granted and reserved for the use and benefit in common of all Lot Owners and their family members, invitees, and licensees. No Lot Owner shall have the right to restrict, impeded, or take any action in any way to prohibit or limit the use in common by all Lot Owners of said easements. However, use of the easements in the Open Area shall be subject to and governed by the provisions of this Declaration and the by-laws, rules and regulations of the Association. The roads shown on the Plat are public thoroughness. The Metropolitan Government of Nashville and Davidson County has the responsibility for maintenance, repair, or replacement of said roads.

ARTICLE X.

GENERAL PROVISIONS

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

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

Section 3. Amendment. The covenants and restrictions of Articles VIII and IX of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by sixty-seven percent (67%) of those then owning the Lots and fifty-one percent (51%) of the first mortgages who have requested notice of any proposed termination or amendment has been recorded prior to the expiration of said thirty (30) year period or any said ten (10) year period, as the case may be, agreeing to terminate said covenants and restrictions or to modify said covenants and restrictions in whole or in part for the next ten (10) year period.

This Declaration may be amended by an instrument signed by not less than sixty-seven percent (67%) of the Lot Owners, and by not less than fifty-one percent (51%) of the first mortgages who have requested notice of any proposed termination or amendment; provided, however, as to amendments that are not of a material nature, a mortgagee's approval shall be deemed given if it does not respond within thirty (30) days of notice; provided further that while Developer is a Class B member, this Declaration may not be amended without Developer's consent; and provided further that as long as Developer is a Class B member, it may amend this Declaration acting alone. Any amendment must be recorded.

Section 4. Perpetuities and Restraints on Alienation. If any of the privileges, covenants, conditions, or rights created by this Declaration shall not be lawful, 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 Elizabeth II, Queen of England.

Section 5. Special Provisions Concerning Open Area. This development, and particularly the Open Area, will be subject to the following provision of the Metropolitan Nashville & Davidson County Code:

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

(a) The Metropolitan Planning Commission and the Metropolitan County Council may require that the landowner provide for and establish an organization for the ownership and maintenance of any common open space, and such organization shall not be dissolved nor shall it dispose of any common open space, by sale or otherwise (except to an organization conceived and established to own and maintain the common space), without first offering to dedicate the same to the Metropolitan Government of Nashville and Davidson County and the said dedication being approved by the Metropolitan Planning Commission. However, the conditions of any transfer shall conform to the adopted final master development plan.

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

Section 6. VA. As long as there is Class B membership, the following actions will require the prior approval of the Veteran's Administration: Annexation of additional properties, dedication of Open Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 7. Mortgage/Conveyance of Open Area. The Open Area cannot be mortgaged or conveyed without the consent of sixty-seven percent (67%) of Class A members in the Homeowners' Association.

IN WITNESS WHEREOF, the undersigned, being Developer herein, has hereunto set its hand and seal this 21st day of November, 1994.

RANSOM VILLAGE, INC., a Tennessee corporation

By: _____
Its President

STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

Personally appeared before me, JONI MILLER, a Notary Public, HENRY E MCCALL, with whom I am personally acquainted, who acknowledged that HE executed the within instrument for the purposes therein contained, and who further acknowledged that HE is the PRESIDENT of Ransom Village, Inc., a corporation, and is authorized by the corporation to execute this instrument on behalf of the corporation.

WITNESS my hand, at office, this 21st day of November, 1994.

_____
Notary Public

My Commission Expires:
7/27/96

#323079

EXHIBIT A

BOOK 9525 PG 208

Prepared by: Anderson-Delk & Associates, Inc.
618 Grassmere Park Drive, Suite 4
Nashville, TN 37211
Plat dated 5-31-94
Mark Lowrance
License No. 1660

Legal Description
Ransom Village Residential P.U.D.

Being a 19.465 more or less acre tract of land lying in the 28th Civil District of Davidson County, Tennessee, and being a portion of the Ransom Place Homes, Inc. Property of record in Book 8519, Page 915, Register's Office Davidson County, Tennessee, and being more particularly described as follows:

Beginning at a point on the westerly margin of Una-Antioch Pike, said point being the most southeasterly corner of Pinnacle Point Shopping Center, the plan for which is of record in Book 6250, Page 733, Register's Office Davidson County, Tennessee: thence with said margin of Una-Antioch Pike, South 10 degrees 01 minutes 51 seconds West a distance of 137.02 feet to a point; thence continuing, and with a curve to the right having a radius of 1238.08 feet, a central angle of 26 degrees 22 minutes 57 seconds, a chord bearing and distance of South 23 degrees 13 minutes 20 seconds West, 565.07 feet, an arc distance of 570.09 feet to a point; thence continuing South 36 degrees 24 minutes 48 seconds West a distance of 460.53 feet to a point; thence with an offset in said right-of-way, North 53 degrees 32 minutes 16 seconds West a distance of 10.00 feet to a point; thence with a return curve to the right having a radius of 25.00 feet, a central angle of 89 degrees 09 minutes 14 seconds, a chord bearing and distance of South 81 degrees 02 minutes 21 seconds West, 35.09 feet, an arc distance of 38.90 feet to a point on the northerly right-of-way of Piccadilly Row: thence with said right-of-way of Piccadilly Row, North 54 degrees 23 minutes 02 seconds West a distance of 21.99 feet to a point; thence continuing, and with a curve to the right having a radius of 812.78 feet, a central angle of 14 degrees 23 minutes 16 seconds, a chord bearing and distance of North 47 degrees 11 minutes 24 seconds West, 203.56 feet, an arc distance of 204.10 feet to a point; thence leaving said right-of-way of Piccadilly Row and with the common line of the herein described tract and an open space tract shown on the plan of Pinnacle Point, Phase 3, as of record in Book 6900, Page 391, Register's Office Davidson County, Tennessee, the following calls:

North 31 degrees 10 minutes 57 seconds West a distance of 304.28 feet to a point; thence North 01 degrees 13 minutes 21 seconds East a distance of 259.94 feet to a point; thence North 15 degrees 29 minutes 30 seconds East a distance of 341.84 feet to a point; thence North 10 degrees 55 minutes 18 seconds West a distance of 141.07 feet to a point; thence North 11 degrees 29 minutes 24 seconds East a distance of 169.93 feet to a point; thence North 01 degrees 52 minutes 28 seconds West a distance of 238.37 feet to a point; thence severing the afore-mentioned Ransom Place Homes, Inc. Property, North 70 degrees 16 minutes 10 seconds East a distance of 335.76 feet to a point; thence with the common line of the herein-described tract and the afore-mentioned Pinnacle Point Shopping Center, South 15 degrees 04 minutes 26 seconds East a distance of 596.98 feet to a point; thence South 79 degrees 58 minutes 09 seconds East a distance of 325.00 feet to the point of beginning. The above-described tract contains 20.186 acres, more or less. Included in the above description, but expressly exluded herefrom is a 0.721 more or less acre tract conveyed to CRC Equities, Inc. as evidenced by deed of record in Book 6865, Page 17,

Register's Office Davidson County, Tennessee, said excluded tract being more particularly described as follows:

Starting at a point on the westerly right-of-way of Una-Antioch Pike, said point being the most southeasterly corner of Pinnacle Point Shopping Center, the plan for which is of record in Book 6250, Page 733, Register's Office Davidson County, Tennessee; thence with said right-of-way of Una-Antioch Pike, South 10 degrees 01 minutes 51 seconds West a distance of 137.02 feet to a point; thence leaving said right-of-way North 79 degrees 58 minutes 09 seconds West a distance of 10.00 feet to the point of beginning; thence with a curve to the right having a radius of 1228.08 feet, a central angle of 07 degrees 36 minutes 17 seconds, a chord bearing and distance of South 13 degrees 49 minutes 59 seconds West, 162.88 feet, an arc distance of 163.00 feet to a point; thence North 79 degrees 57 minutes 09 seconds West a distance of 110.00 feet to a point; thence North 08 degrees 54 minutes 01 seconds West a distance of 204.24 feet to a point; thence North 84 degrees 14 minutes 44 seconds East a distance of 52.10 feet to a point; thence South 80 degrees 01 minutes 34 seconds East a distance of 124.93 feet to a point; thence South 40 degrees 09 minutes 34 seconds East a distance of 15.62 feet to a point; thence South 10 degrees 01 minutes 51 seconds West a distance of 35.00 feet to the point of beginning, containing 0.721 acres, more or less.

Being part of the property conveyed by deed of record in Book 8519, page 915, Register's Office for Davidson County, Tennessee.

EXHIBIT B

BY-LAWS
OF
RANSOM VILLAGE HOMEOWNERS' ASSOCIATION

ARTICLE
DEFINITIONS

The following words, when used herein, shall have the following meanings:

Section 1. "Act" shall mean the Tennessee Nonprofit Corporation Act, Tennessee Code Annotated Sections 48-51-101- through 48-68-105.

Section 2. "Association" shall mean Ransom Place Homeowners' Association, a Tennessee not-for-profit corporation, its successors and assigns, which has as its members all owners of Lots in the Property.

Section 3. "Board of Directors" or "Board" shall mean the board of directors of the Association.

Section 4. "By-Laws" shall mean these by-laws.

Section 5. "Charter" shall mean the charter of the Association.

Section 6. "Open Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use of the Lot Owners.

Section 7. "Declaration' shall mean the Declaration of Covenants, Conditions and Restrictions for Ransom Village, recorded in the Register's Office for Davidson County, Tennessee.

Section 8. "Developer" shall mean RANSOM VILLAGE, INC., its successors and assigns.

Section 9. "Lot" shall mean any numbered lot shown on the Plat.

Section 10. "Lot Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

Section 12. "Plat" shall have the meaning given it in the Declaration.

Section 13. "Property" shall have the meaning given it in the Declaration.

ARTICLE II
NAME AND LOCATION

The name of the Association is Ransom Village Homeowners' Association. The principal office of the Association shall be located at 4301 Hillsboro Pike, Suite 225, nashville, Tennessee, but meetings of Members and directors may be held at such places within the State of Tennessee as may be designated by the Board of Directors.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership; provided that as long as the Developer is entitled to Class B votes, the number of Class A Members requesting the special meeting must be entitled to vote at least one-tenth (1/10) of all the votes entitled to be cast at the proposed special meeting.

Section 3. Notice of Meetings. Except as otherwise provided in the Charter, Declaration, or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before the meeting date, but no earlier than two (2) months before the meeting date, to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. If the Members shall be called upon at an annual meeting to approve or disapprove:

(a) director and/or officer conflicts of interest;

(b) indemnification of directors, officers, employees, and agents of the Association;

(c) amendments to the Charter and/or By-Laws;

(d) a plan of merger with (an) other nonprofit corporations);

(e) a sale of the Association's assets; or

(f) dissolution of the Association, then notice of that annual meeting shall include a description of those matters.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise provided in the Act, Charter, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in

writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of three (3) directors, who need not be Members of the Association; provided, however, the Board may by majority vote increase the number of directors.

Section 2. Term of Office. At the first annual meeting, the Members shall elect one director for a term of three years, one director for a term of two years and one director for a term of one year; and at each annual meeting thereafter the Members as many directors for a term of three years as are required to fill the Board for the ensuing year.

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

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

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

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

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

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

ARTICLE VI
MEETINGS OF DIRECTORS

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

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

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

ARTICLE VII
POWERS AND DUTIES

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

(a) adopt and publish rules and regulations governing the use of the Open Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

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

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

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

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

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special

meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

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

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

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

(2) send written notice of each assessment to every Lot. Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property, for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Lot Owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability, hazard, and other insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration;

(g) cause the Open Area to be maintained.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

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

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

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

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

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

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

Section 7. Duties. The duties of the officers are as follows:

President

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

Vice-President

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

Secretary/Treasurer

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep and authenticate appropriate current records showing the Members of the Association together with their addresses, receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members and perform such other duties as required by the Board.

ARTICLE IX
COMMITTEES

The Board may appoint an architectural control committee, as provided in the Declaration, and shall appoint a nominating committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X
BOOKS AND RECORDS

The books, records, paper of the Association and the Declaration, Charter and By-Laws shall be available for inspection by any Member or to the holder, guarantor or insurer

of any first mortgage at the principal office of the Association, during normal business hours where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall be subject to a late charge in an amount established by the Board of Directors and shall bear interest from the date of delinquency at the highest contract rate allowed by law from time to time. The Association may bring an action at law against the Lot Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Open Area or abandonment of his Lot.

ARTICLE XII
AMENDMENTS

Section 1. So long as they are consistent with the Declaration and the Charter, these By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

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

PICK-UP
10507
IDENTIF. & REFERENCE
94 NOV 21 AM 10:23
REGISTER
DAVIDSON COUNTY, TN.
REC'D 11/21 0101 DEC'D CK 136.00

ARTICLE XIII
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year except that the first fiscal year shall begin on the date of incorporation.

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