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THIS INSTRUMENT PREPARED BY:

WILKINS & IVEY
Attorneys at Law
2405 Crestmoor Road
P.O. Box 150157
Nashville, Tennessee 37215-0157

MASTER DEED

ESTABLISHING A HORIZONTAL PROPERTY REGIME OF

STANFORD PLACE

THIS MASTER DEED is made this 15th day of April, 1996, by WELLINGTON II LIMITED PARTNERSHIP, a Tennessee Limited Partnership, (herein called "Developer"), for itself, its successors or assigns, wherein the Developer makes the follow declarations and submissions.

1. **PURPOSE**. The purpose of this Master Deed is to submit the land described in **Exhibit "A"** attached hereto and made a part hereof (sometimes referred to herein as the "Property", or Stanford Place), and the improvements thereon to a Horizontal Property Regime under the provisions of the Tennessee Horizontal Property Act, as codified as §66-27-101, et seq., of the Tennessee Code Annotated.

2. **NAME AND ADDRESS**. The name by which this horizontal property regime is to be identified is Stanford Place, and it is located in Nashville, Davidson County, Tennessee, at 4040 Woodlawn Drive.

3. **SUBMISSION OF THE PROPERTY.** The Developer hereby submits the Property, together with the buildings and improvements thereon, owned by the Developer in fee simple absolute, to the referenced provisions of the Tennessee Code Annotated, hereby establishing a horizontal property regime which Property is shown on a **Plat attached hereto as Exhibit "B".**

4. **LAND INCLUDED IN PROPERTY.** The land included in the property consists of the **land described in Exhibit "A"** hereto, which is made a part hereof by reference. Said land will be sometimes referred to as the "Property" or Stanford Place. The fee simple absolute title in such land is hereby vested in the horizontal property regime hereby established.

5. **THE BUILDINGS.** Stanford Place consists of one (1) building comprised of nineteen (19) apartments. The building is constructed such that it is three (3) stories in height.

6. **APARTMENTS.** The legal description of each apartment consists of the identifying number or symbol of such apartment as shown on the Plat. Every deed, lease, mortgage, deed of trust or other instrument shall legally describe an apartment by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no apartment Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his apartment to be separated into any tracts or parcels different from the whole apartment as shown on the Plat.

7. **DIMENSIONS OF APARTMENTS.** Each apartment consists of the area measured horizontally from the apartment side of the unfinished dry-wall or paneling of the walls facing the exterior of the building to the apartment side of the dry-wall or paneling of the wall and partition separating such apartment from corridors, stairs, incinerators and other mechanical equipment space (if any) and, where walls and partitions separate such apartment from other apartments, to the side of the unfinished dry-wall or paneling of such walls and partitions facing such apartment; where dry-wall or paneling separates one room in an apartment from another such room, from one side of each room wall to the other side of such room's opposite wall. Vertically, each apartment consists of the space between its unfinished floor and its unfinished ceiling.

8. **USE OF APARTMENT.** Each of the apartments shall be used as a single family residence only, except that Developer may use any apartment owned by Developer as a model for the purposes of marketing unsold apartments.

9. **COMMON ELEMENTS.** The common elements consist of the entire property, as shown on the plan which is an exhibit to the Master Deed, including all parts of the building other than the apartments and including, without limitation, the following:

(a) The land.

(b) All foundations, columns, girders, beams and supports.

(c) All roofs; all exterior walls of the building not including the portions thereof on the apartment side of the dry-wall or paneling of such walls; and the portions between the apartment side of walls and partitions between apartments; all floors and ceilings. No co-owner shall be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceilings, windows and doors bounding his apartment, nor shall such co-owner be deemed to own the utilities (without limitation) running through his apartment which are utilized for, or serve more than one apartment, except as a right in common to share the same with the other co-owners. A co-owner, however, shall be deemed to own and shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, floors, ceilings, windows, and doors bounding his apartments.

(d) All halls, corridors, lobbies, sidewalks, stairs, stairways and entrances to and exits from the building, but only if in a common area and not within the boundaries or perimeters of any apartment.

(e) All yards, all open parking and driveway areas which will be common elements in common.

(f) All storage spaces not restricted to use by particular apartments.

(g) All tanks, pumps, motors, fans, compressors, air handling units and control equipment, and any system for central services; but not including heating or air-conditioning units, equipment or components thereof which serve only one apartment.

(h) All sewer pipes (excluding pipes defined as Limited common elements).

(i) The interest of each co-owner in the common elements is a percentage of the whole which is determined by the relationship of that owner's square feet of floor area to the total square feet of floor area in all units.

(j) Developer, Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall have the right, until all apartments are sold by Developer or until Developer ceases to manage the condominium, whichever shall last occur, to access, ingress to and egress from the Building and Property as may be required for construction and maintenance and for the purpose of sale of apartments, and to show one or more of such unsold or unoccupied apartments as a model and may use one or more of such unsold or unoccupied apartments as a sales office and may maintain customary signs in connection therewith..

11. **LIMITED COMMON ELEMENTS.** Limited common elements are defined as those common elements which are reserved for the use of a certain apartment or apartments to the exclusion of the other apartments. All terraces, balconies, decks, storage spaces, stoops, which serve individual apartments are limited common elements for the exclusive use of the sole co-owner or co-owners whose apartment they serve. All utility pipes, i.e., plumbing inside walls of a building which serve one unit only, are limited common elements. Party walls (if any) between apartments shall be limited common elements. All heating or air-conditioning units, equipment or components thereof which serve only one apartment but are located outside that apartment shall be limited common elements exclusively for that apartment.

12. **INDIVISIBILITY OF INTEREST.** The common elements, both general and limited shall remain undivided, and shall not be subject to any action for partition or division of co-ownership.

13. **ENCROACHMENTS.** If any portion of the common elements now encroaches upon any apartment, or if any apartment now encroaches upon any other apartment or upon any portion of the common elements, as a result of the construction of a building or any building, or if any such encroachment shall occur hereafter as a result of settling or shifting of a building, or any building, a valid easement for the encroachment and for the maintenance of the same so long as such building stands, shall exit. In the event such building, an apartment, any adjoining apartment, or any adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuild, encroachments of parts of the common elements upon any apartment or of any apartment upon any other apartment or upon any potion of the common elements, due to such rebuilding, shall be permitted and valid easements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as any such building shall stand.

14. **PIPES, DUCTS, CABLES, WIRES, CONDUITS, PUBLIC UTILITY LINES AND OTHER COMMON ELEMENTS LOCATED INSIDE OF APARTMENTS.** Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables (television, communication or otherwise), wires, conduits, public utility lines and other common elements serving such other apartments and located in such apartment. The Board of Managers, or its designated representative, shall have a right of access to each apartment to inspect the same, to remove violations therefrom and to maintain, repair or replace the common elements contained therein or elsewhere in any building.

15. **APARTMENTS SUBJECT TO MASTER DEED.** All present and future co-owners and tenants of apartments shall be subject to and shall comply with the provisions of this Master Deed and any restrictions or rules in the By-Laws which are more than administrative in nature such as, but not limited to, reservations and future rights of the Developer shall be incorporated and become a part of this Master Deed by reference. The acceptance of a deed of conveyance, devise, inheritance or the entering into a lease of an apartment or entering into occupancy of an apartment, shall constitute an agreement that the provisions of this Master Deed and such By-Laws provisions are accepted and ratified by each co-owner and tenant, 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 apartment, as though such provisions were recited and stipulated in full in each and every deed or lease thereof.

16. **APARTMENTS SUBJECT TO BY-LAWS.** All present and future co-owners, tenants and occupants of an apartment shall be subject to, and shall comply with, the provisions of the By-Laws of record as **Exhibit "C"** hereto, pursuant to Tennessee Code Annotated,§66-27-101, et seq., as they may be amended form time to time. The acceptance of a deed of conveyance, devise or of a lease to an apartment, or the entering into occupancy of any apartment shall constitute an agreement that the provisions of the said By-Laws, as they may be amended from time to time, are accepted and ratified by such co-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 apartment, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease, thereof.

17. **AMENDMENT.** This Master Deed may be amended by a deed of amendment joined in by co-owners representing at least sixty-seven (67%) percent of the total apartments in the horizontal property regime, which deed shall be recorded in the Register's Office for Davidson County, Tennessee. For these purposes, Developer shall be deemed to be the owner of all apartments which have not been actually deeded to a purchaser, regardless of whether such have actually been begun or constructed.

18. **WAIVER.** No provision contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce it, regardless of the number of violations or breaches which may occur.

19. **CAPTIONS.** The captions herein are inserted only as a matter of convenience and for reference and neither define, limit, or describe the scope of this Master Deed nor the intent of any provision hereof.

20. **GENDER.** The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine gender and the singular shall be deemed to refer to the plural and visa versa, whenever the context so requires.

21. **DEFINITION OF TERMS.** The words and phrases used in this Master Deed shall have such meanings as are ascribed to them in general English language usage as related to the context in which they are used; provided, however, that those words and phrases which are defined in the Tennessee Horizontal Property Act shall have the meanings there given, and provided further that words and phrases not directly defined in the Act, but whose definition would be indirectly indicated, shall have the meanings which would be necessary to maintain this Master Deed in compliance with the said Horizontal Property Act.

IN WITNESS WHEREOF, the Developer has executed this Master Deed at Nashville, Davidson County, Tennessee, on this 15th day of April 1996.

WELLINGTON II LIMITED
PARTNERSHIP,
BY:A & B Properties, Inc.,
GENERAL PARTNER

BY: _____
George N. Spiva, President

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State of Tennessee
County of Davidson

Before me the undersigned authority, personally appeared **George N. Spiva**, to me known (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged and was identified as President of A & B Properties, Inc., a Tennessee corporation, general partner(s) of **Wellington II Limited Partnership**, the within named bargainor, a Tennessee limited partnership, and acknowledged the execution of the foregoing instrument as such officer of such general partner for the purposes therein contained.

Witness my hand and official seal on April 15, 19 96.

Notary Public

My Commission Expires: 9/18/99

(Seal Required)
(If Authorized)



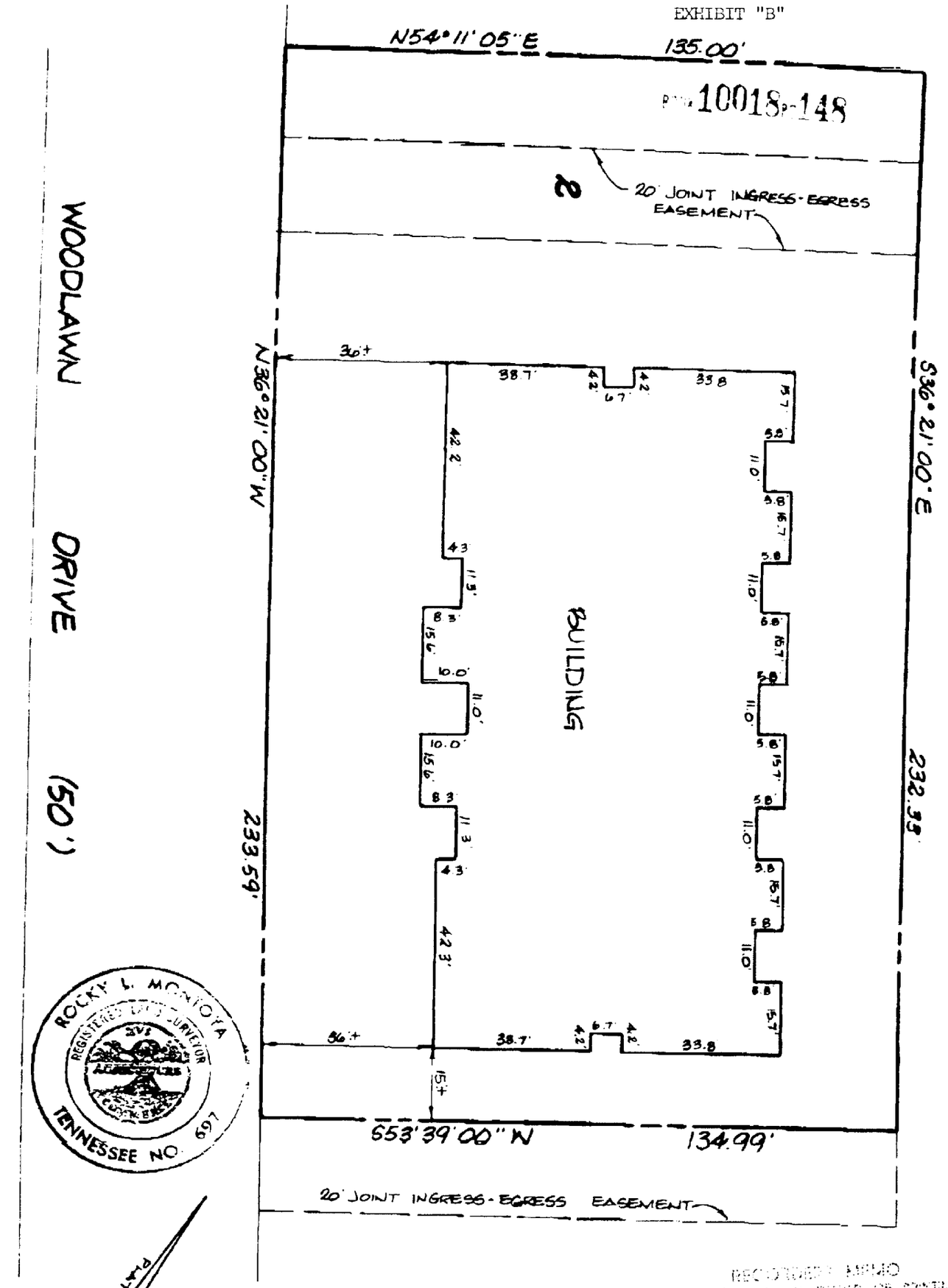
EXHIBIT "A"

Land in Davidson County, Tennessee, being Lot No. 2 on the Plan of the Resubdivision of Lot One, Third Revision of Stanford Center, of record in Plat Book 5210, page 341, Register's Office of Davidson County, Tennessee, to which Plat reference is hereby made for a more complete description thereof.

Together with, and as an appurtenance thereto, easements described as "Easement Parcels I & II" in that certain deed of record in Book 9403, page 504, Register's Office for Davidson County, Tennessee.

Being the same property conveyed to Wellington II Limited Partnership, a Tennessee Limited partnership, by deed from Edwin B. Raskin, Trustee, of record in Book 9403, page 504, said Register's Office.

EXHIBIT "B"



ROCKY L. MONTOYA
REGISTERED LAND SURVEYOR
TENNESSEE NO. 697

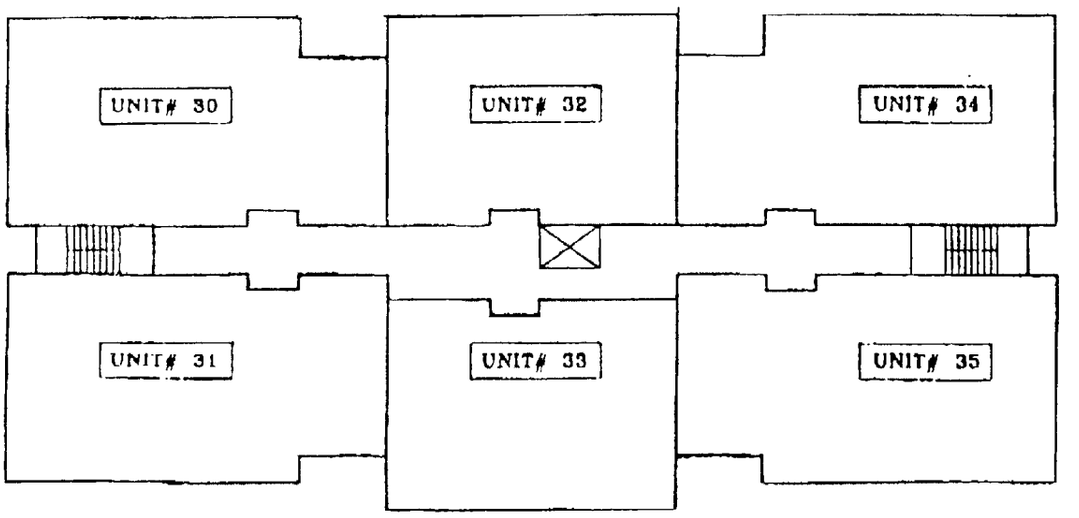
RECORDER'S MEMO
LEGIBILITY OF WRITING, TYPING OR PRINTING IN THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED

PLAN FOR STANFORD PLACE

PROPERTY OF NICK SPIVA
SUBDIVISION STANFORD CENTER (RESUB. LOT 1, 3RD REVISION)
ADDRESS WOODLAWN DRIVE CITY NASHVILLE COUNTY DAVIDSON
LOT NO. 2 BLOCK PLAT BOOK 5210 PAGE 341
SCALE 1"=20' DATE 5-11-95 JOB NO. 94-7-121 BY [signature] TENN. R.L.S. NO. 617

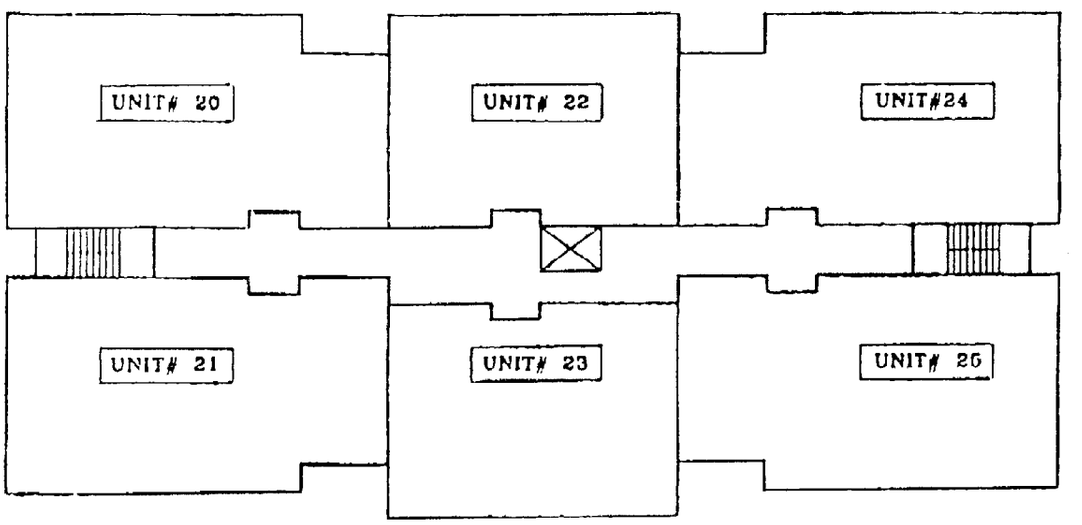
R. L. MONTOYA - LAND SURVEYING INC.
412 BASS STREET GOODLETTSVILLE, TENNESSEE 37072

EXHIBIT "B" Continued

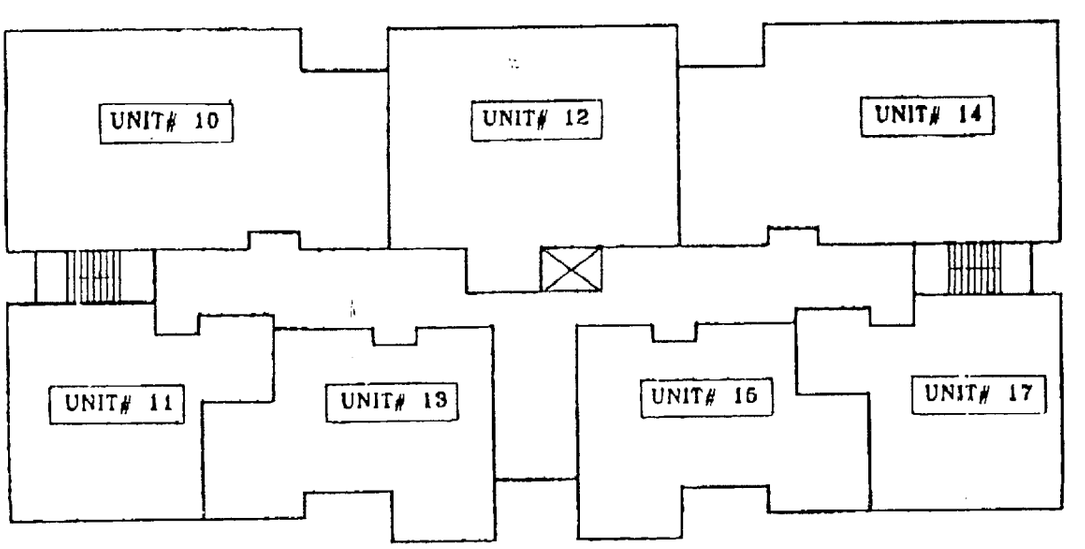


Level 3

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Level 2



Level 1

STANFORD PLACE
Detail of Unit Numbers

RECORDERS MEMO
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THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED

THIS INSTRUMENT PREPARED BY:

WILKINS & IVEY
Attorneys at Law
2405 Crestmoor Road
P.O. Box 150157
Nashville, Tennessee 37215-0157

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EXHIBIT "C"

BY-LAWS

OF

STANFORD PLACE

(A HORIZONTAL PROPERTY REGIME)

Nashville, Davidson County, Tennessee

ARTICLE I

FORM OF APARTMENT ADMINISTRATION

SECTION 1. Property Subject Hereto. The property to which these By-Laws shall apply is described as Stanford Place, a horizontal property regime, located in Nashville, Davidson County, Tennessee, at 4040 Woodlawn Drive, said property having been submitted to the provisions of the Tennessee Horizontal Property Act, codified as §66-27-101 et seq, of the Tennessee Code Annotated, by Master Deed to which these By-Laws are exhibited, and with which these By-Laws are being recorded.

SECTION 2. Administration and Operation of the Property. The administration and operation of the property shall be conducted by a Tennessee not-for-profit corporation under the name of "Stanford Place Homeowners' Association", pursuant to a corporate charter which has been, or will be secured under the provisions of the Tennessee General Corporation Act. The By-Laws contained in this instrument shall be and become the By-Laws for the said corporation, and "Association" as hereinafter used shall mean and refer to Stanford Place Homeowners'

Association. 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 apartment owners in Phase I and all additional phases, and all funds received by the Association shall be held and applied by it for the use and benefit of apartment owners in accordance with the Master Deed and By-Laws. Each apartment owner shall be a member of the Association so long as he is an apartment owner. An apartment owner's membership shall automatically terminate when he ceases to be an apartment owner. Upon the conveyance or transfer of an apartment owner's ownership interest to a new apartment owner, the new apartment owner shall simultaneously succeed to the former apartment owner's membership in the Association. The terms "owner" or "co-owner" when used hereinafter shall be deemed to be the same as a "member" as described in this provision. In the transaction of business of the Association, each member shall have one vote and each apartment shall constitute one unit of membership even if an apartment is owned by multiple owners. However, as long as Developer owns any apartment(s), Developer shall have two (2) votes for each apartment owned by Developer..

SECTION 3 Applicability of By-Laws. The provisions of these By-Laws are applicable to the property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein, shall include the land, the building, all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto, all of which are submitted to the referenced provisions of the Tennessee Code Annotated.

SECTION 4. Application. These By-Laws and each change made in accordance herewith are, and shall be, covenants running with each apartment and binding on each successive co-owner, lessee or mortgagee of each apartment in the Condominium. All present and future owners, mortgagees, lessees and occupants of apartments and their employees, and any other persons who may use the facilities of the property in any manner are subject to these By-Laws, and the Master Deed and any rules and regulations promulgated by the Board of Directors. The acceptance, whether from Developer or co-owner, of a deed or conveyance, or mortgage, or the entering into a lease with the Developer or a co-owner, or the act of occupancy of an apartment shall constitute a covenant and an agreement by the grantee, conveyee, mortgagee, lessee or occupant that these By-Laws, any rules and regulations and the provisions of the Master Deed, as they may be amended from time to time, are accepted, ratified, and will be complied with, and further, that he will make the provisions herein known to any subsequent purchaser, lessee or mortgagee.

SECTION 5. Office. The office of the Condominium and of the Board of Directors shall be located at the Property, or at such other location as the Board of Directors may from time to time designate.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors. The Initial Board of Directors shall consist of Developer and two other directors designated by Developer, one of which must be an apartment owner. The initial Board shall continue to serve until four months after 75% of the apartments have been conveyed to purchasers or three years after conveyance of the first apartment, whichever shall first occur; and thereafter until their successors have been elected by the co-owners. Thereafter, the Board of Directors shall be composed of five directors, each of whom shall be an owner or spouse of an owner, or a partner in the case of ownership by a partnership, or an officer or shareholder in the case of ownership by a corporation.

SECTION 2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the condominium and may do all such acts and things except as by law or by the Master Deed or by these By-Laws may not be delegated to the Board of Directors by the co-owners. Such powers and duties of the Board of Directors shall include, but not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the common elements in accordance with the other provisions of these By-Laws.

(b) Determination of the common expenses required for the affairs of the Condominium including, without limitation, the operation and maintenance of the property.

(c) Collection of the common charges from the co-owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the common elements.

(e) Adoption and amendments of rules and regulations covering the details of the operation and use of the property.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all apartment owners, apartments offered for sale or lease or surrendered by their owners to the Board of Directors.

(h) Purchasing of apartments at foreclosure or other judicial sales in the name of the Board of Directors, or its designee corporate or otherwise, on behalf of all co-owners.

(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with apartments, acquired by and subleasing apartments leased by the Board of Directors or its designee, corporate or otherwise, on behalf of all co-owners.

(j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of apartments on behalf of all co-owners.

(k) Leasing of maids' rooms, laundry rooms, and granting of licenses for vending machines.

(l) Obtaining of insurance for the property, including the apartments, pursuant to the provisions of Article V, Section 2, hereof.

(m) Making of repairs, additions and improvements to or alterations of the property and repairs to and restoration of the property, in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(n) Granting permits, licenses and/or easements over the common areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the project.

SECTION 3 Managing Agent and Manager. The Board of Directors may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to the duties listed in subdivision (a), (c), (d), (k), (l) and (m) of Section 2 of this Article II. The Board of Directors may delegate to the manager or managing agent, all of the powers granted to the Board of Directors by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (j) and (n) of Section 2 of this Article II; provided, however, that during the term of office of the Initial Board of Directors the Association may not be bound directly or indirectly to a management contract unless there is a right of termination of any such contract, without cause, which may be exercised without penalty at any time after expiration of the Initial Board term, upon not more than ninety (90) days notice to the other party.

SECTION 4. Election and Term of Office. The first Board of Directors after the initial Board ceases management shall be elected at the first meeting of co-owners or, at the option of the initial Board, may be elected by ballots mailed to each co-owner at least twenty-five (25) days prior to the first meeting. If the election is by ballot, the nominees shall be seven in number as selected by a committee of co-owners and the five nominees receiving the highest number of votes shall be elected. If elected by ballot, the ballots shall be mailed to each co-owner at the unit owned by him of record and the results of said ballot shall be announced at the first meeting of co-owners. The term of office of two members of the Board of Directors shall be fixed at three (3) years, the term of office of two members of the Board of Directors shall be fixed at two (2) years, and the term of office of one member of the Board of Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each respective member of the Board of Directors, his successors shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall be elected by the co-owners.

SECTION 5. Removal of Members of the Board of Directors. After the term of office of the initial Board of Directors shall have terminated, as provided in Section 1 of this Article II, at any regular or special meeting of the co-owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the co-owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed to an assembly of co-owners shall be given an opportunity to be heard at the hearing

SECTION 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by the co-owners shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the co-owners.

SECTION 7. Organization Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the co-owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the co-owners at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected

members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least one such meeting shall be held each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail or telegraph, at least three (3) days (excluding Saturdays, Sundays and bank holidays recognized in Nashville, Tennessee) prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given by delivery, mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors.

SECTION 10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board or the execution of the minutes thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At such adjourned meeting, at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

SECTION 12. Fidelity Bonds. The Board of Directors shall obtain adequate fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds. The premiums on such bonds shall constitute a common expense.

SECTION 13. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the co-owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The co-owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any co-owner arising out of any contract made by the Board of Directors, or out of the aforesaid indemnity, in favor of the members of the Board of Directors, shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all the co-owners in the common elements. Every agreement made by the Board of Directors shall be limited to such proportion of the total liability thereunder, as his interest in the common elements bears to the interest of all the co-owners in the common elements. Every agreement made by the Board of Directors or by the managing agent or by the manager on behalf of the Condominium shall provide that the members of the Board of Directors or the managing agent, or the manager, shall have no personal liability thereunder (except as co-owners), and that each co-owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interest of all co-owners in the common elements.

SECTION 14. Proxy. The Board of Directors may meet by proxy provided at least a quorum sign the minutes of the meeting approving the actions reflected therein.

SECTION 15. Declaration of Default. Should a majority of the Board of Directors determine that any co-owner is in default in the performance of any co-owner's obligations contained in the Master Deed, or these By-Laws, or if such co-owner should be in violation of any of the same or the Rules and Regulations established by the Board of Directors, then the Secretary of the Board of Directors shall send written notice of such default to such co-owner and if such default is not cured to the satisfaction of such Secretary within a reasonable time (not in excess of two weeks from the date of sending notice), then the Secretary shall proceed to enforce the remedies given herein and by law.

SECTION 16. Developer as Manager. Subject to the limitations imposed in Article II, Section 3, hereof, the Developer or its designee may be employed as Manager or Managing Agent, and as such, shall be entitled to any profit which it may earn from its management and operation of the Condominium, as long as said profit is reasonable.

ARTICLE III

CO-OWNERS

SECTION 1. Annual Meetings. At, or before, the expiration of its term of office, the initial Board of Directors shall notify all co-owners and a meeting of the co-owners shall be held within thirty (30) days thereafter on a call issued by the President. Thereafter, the annual meetings of the co-owners shall be held on the 15th day of January of each succeeding year, unless such date shall occur on a Saturday or Sunday, in which event the meeting shall be held on the succeeding Monday. At such meetings, the members of the Board of Directors to be elected shall be elected by ballot of the co-owners in accordance with the requirements of Section 4 of Article II of these By-Laws. The co-owners may transact such other business at such meetings as may properly come before them.

SECTION 2. Place of Meetings. Meetings of the co-owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the co-owners as may be designated by the Board of Directors.

SECTION 3. Special Meetings. It shall be the duty of the President to call a special meeting of the co-owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by co-owners representing at least 25% of the total then existing apartments in the horizontal property regime. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. Notice of Meetings. It shall be the duty of the Secretary to mail a written notice of such meeting of the co-owners, at least ten (10), but not more than twenty (20), days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each co-owner of record, at the building or at such other address as such co-owner shall have designated by notice in writing to the Secretary. The mailing of such notice of meeting in the manner provided in this Section shall be considered service of notice.

SECTION 5 Adjournment of Meetings. If any meeting of co-owners cannot be held because a quorum has not attended, a majority of the co-owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time approved by a majority of those then present.

SECTION 6. Order of Business. The order of business at all meetings of the co-owners shall be as follows:

(a) Roll call
(b) Proof of notice of meeting
(c) Reading of minutes of preceding meeting
(d) Reports of officers
(e) Report of Board of Directors
(f) Reports of committees
(g) Election of Inspectors of Elections (when so required)
(h) Election of member of the Board of Directors (when so required)
(i) Unfinished business
(j) New business

SECTION 7. Title to Apartments. Title to apartments may be taken in the name of an individual or in the name of two or more persons, as tenants in common or as join tenants or as tenants by the entirety, or in the name of a corporation or partnership, or in the name of a fiduciary.

SECTION 8. Voting. The owner or owners of each apartment, or some person designated by such owner or owners to act as proxy on his or their behalf, who need not be an owner, shall be entitled to cast the vote appurtenant to such apartment at all meetings of co-owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the co-owner or co-owners so designating. Any or

all of such co-owners may be present at any meeting of the co-owners and (those constituting a group acting unanimously), may vote or take any action as a co-owner either in person or proxy. A fiduciary shall be the voting member with respect to any apartment owned in a fiduciary capacity.

The number of votes for all members of the Association shall initially be thirty-eight (38) and shall be divided among the respective apartment owners with two (2) votes granted to each apartment which is still owned by Developer and with one (1) vote granted to each apartment which has been sold by Developer to another party. Developer may cast two (2) votes for each apartment still owned by Developer. All other parties shall be entitled to cast one (1) vote for each apartment owned. When all apartments have been sold by Developer the aggregate number of votes for all members of the Association shall be nineteen (19).

SECTION 9. Majority of Co-Owners. As used in these By-Laws the term "majority of co-owners" shall mean those co-owners present in person or by proxy and voting at any meeting of the co-owners determined in accordance with the provisions of Section 8 of this Article III.

SECTION 10. Quorum. A quorum of co-owners for any meeting shall be constituted by co-owners represented in person or by proxy and holding a majority of the votes entitled to be cast at such meeting.

SECTION 11. Majority Vote. The vote of a majority of the votes of the co-owners at a meeting at which a quorum shall be present shall be binding upon all co-owners for all purposes except where the laws of the State of Tennessee relating to horizontal property regimes, the Master Deed or these By-Laws require a higher percentage vote or a different method of voting.

SECTION 12. Restriction on Purchase or Lease of Apartments by Co-Owners and on Capital Improvements. So long as any apartments are owned by the Developer without having been initially sold by Developer, no apartment may be purchased or leased by or for the Association and no capital addition, extension, alteration, added improvement, modification or additional embellishment of the property shall be authorized or made by the Association, without the prior written consent of the Developer, unless, by the unanimous vote of the co-owners other than the Developer, the Developer is excused and saved harmless from contributing to the purchase price or rental of such apartment or to the cost of such capital addition, extension, alteration, added improvement, modification or additional embellishment or any related series thereof. Nothing in the preceding sentence shall be construed to exempt any co-owner, including

Developer, from contributing pro-rata toward the expenses of administration and or maintenance and repair of the general common elements, and, in the proper case, of the limited common elements of the building.

ARTICLE IV

OFFICERS

SECTION 1. Designation. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint a vice-president, an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President, but no other officer, need be a member of the Board of Directors. The offices of Secretary and Treasurer may be held by the same person under the designation of Secretary - Treasurer.

SECTION 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Directors at the first meeting of each fiscal year and shall hold office at the pleasure of the Board of Directors.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

SECTION 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the co-owners and of the Board of Directors. He shall have all of the powers and perform those duties vested in him by the Board of Directors.

SECTION 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The

Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

SECTION 6. Secretary. The Secretary shall keep the minutes of all meeting of the Association and of the Board of Directors, he shall have charge of such books and papers as the Board of Directors may direct, and he shall perform such other duties as the Board of Directors shall impose upon him and such functions as are generally performed by a Secretary of a business organization.

SECTION 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping in chronological order, full and accurate financial records and books of account showing all receipts and disbursements affecting the building, or buildings, if more than one, and their administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred and for the preparation of all required financial data He shall be responsible for the deposit of all money and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation and perform such other duties as the Board of Directors shall impose upon him, and such other functions as are generally performed by a Treasurer of a business organization.

SECTION 8. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two officers of the Condominium or by such other person or persons as may be designated by the Board of Directors.

ARTICLE V

OPERATION OF THE PROPERTY

SECTION 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the co-owners to meet the expenses of administration and of maintenance and repair of the general common elements

and, in the proper case, of the limited common elements of the property and any other expenses lawfully agreed upon; and the Board of Directors shall allocate and assess such common charges among the co-owners according to the relationship of their square feet of floor area to the total square feet of floor area in all apartments as a general rule but the Board of Directors is not bound to make such allocation with respect to charges that would be unfairly allocated on such basis. The Board may determine different allocations. The allocations shall be applied uniformly to all owners of like situations. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of Section 2 of this Article V and the fees and disbursements of the Insurance Trustee. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common charges may also include such amounts as may be required for the purchase or lease by the Board of Directors of its designee, corporate or otherwise, on behalf of all co-owners, of any apartment whose owner has elected to sell or lease such apartment or of any apartment which is to be sold at a foreclosure or other judicial sale, as well as the assessed cost to the Board of Directors with regard to any utilities (including, but not limited to, gas, electricity, water, sewers and the like), or other services serving the property which are not separately charged or metered on the property. The Board of Directors shall advise all co-owners, promptly in writing, of the amount of common charges payable by each of them, respectively, as determined by the Board of Directors, as aforesaid, and shall furnish copies of each budget on which such common charges are based, to all co-owners and their mortgagees.

SECTION 2. Insurance. The Board of Directors shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) replacement cost fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the entire building (including all of the apartments and the bathroom and kitchen fixtures, bathroom vanities and kitchen and bathroom cabinet work, parquet floors, ceramic tile bathroom flooring and vinyl kitchen floor covering initially installed therein and paid for by the original owner and builder of the buildings, but not necessarily including furniture, furnishings or other property supplied or installed by tenants or co-owners) together with all air-conditioning equipment and other service machinery contained therein and covering the interests of the Condominium, the Board of Directors and the Association and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the buildings, without deduction for depreciation; each of

such policies shall contain a Tennessee standard mortgagee clause in favor of each mortgagee of an apartment which will provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Directors and the Insurance Trustee hereinafter set forth; such insurance policies shall contain a standard deductible clause of not less than $100 or more than $1,000 for each occurrence; (2) rent insurance covering the rents of the apartments or other areas owned by the Association and which are rented, if any; (3) Workmen's Compensation insurance, if applicable; (4) boiler and machinery insurance as the Board of Directors may determine, including fidelity bonds (see Section 12 of Article II). All such policies shall provide that adjustments of loss shall be made by the Board of Directors, and that the net proceeds thereof, if $20,000 or less, shall be payable to the Board of Directors and if more than $20,000 the net proceeds shall be payable to the Insurance Trustee. It is clearly understood, however, that the Insurance Trustee is an escrow agent only and will make disbursements as directed by the Board of Directors. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of apartments. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of apartments at least ten (10) days prior to expiration of the then current policies

The Board of Directors shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors may from time to time determine, covering each member of the Board of Directors, the managing agent, the manager, and each co-owner. Such public liability coverage shall also cover cross liability claims of one insured against another

Co-owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any co-owner.

SECTION 3. Repair or Reconstruction after Fire or other Casualty. In the event of damage to or destruction of any building as a result of fire or other casualty (unless more than 2/3rds of all buildings require reconstruction), the Board of Directors shall, as it in its sole and absolute discretion determines and without intervention of any co-owner, arrange for the prompt repair

and restoration of the Building (including any damaged apartments and damaged kitchen and bathroom fixtures, bathroom vanities and kitchen and bathroom cabinet work, parquet floors, ceramic tile bathroom flooring and vinyl kitchen floor covering initially installed therein and paid for by the original owner and builder of the buildings, but not including any wall, ceiling or floor decorations or coverage or other furniture, furnishings, fixtures or equipment installed by tenants or co-owners in the apartments, unless insurance thereof is specifically provided for in the insurance policy obtained by the Board of Directors) and the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Directors may assess all the co-owners directly affected by the damage for such deficit as part of the common charges.

If two-thirds or more of the building is destroyed, reconstruction shall not be compulsory and, unless otherwise unanimously agreed upon by the co-owners, the property shall be sold; in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Directors or the Insurance Trustee, as the case may be, among all the co-owners in proportion to their respective common interest, after just paying out of the share of each co-owner the amount of any unpaid liens on his apartment, in the order or priority of such liens. If there shall have been a repair or restoration pursuant to the first paragraph of Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds shall be divided by the Board of Directors or the Insurance Trustee, as the case may be, among the co-owners in the same manner.

SECTION 4. Payment of Common Charges. All co-owners shall be personally obligated to pay the common charges assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V at such time or times as the Board of Directors shall determine. The Developer shall pay common charges on all apartments owned by Developer. No co-owner shall be liable for the payment of any part of the common charges assessed against his apartment subsequent to a sale, transfer or other conveyance by him as such apartment, together with the appurtenant interests, as defined in Section 1 of Article VII hereof. A purchaser of an apartment shall not be personally liable for the payment of common charges assessed against such apartment prior to the acquisition by him of such apartment unless such liability was assumed as part of the purchase; provided, however, that the lien imposed herein for unpaid charges and assessments shall continue to be valid against the apartment.

SECTION 5. Collection of Assessments. The Board of Directors shall assess common charges against the co-owners from time to time and at least annually and shall take prompt action to collect any common charge due from any co-owner which remains unpaid for more than thirty (30) days from the due date.

SECTION 6. Default in Payment of Common Charges. In the event of default by any co-owner in paying to the Board of Directors the common charges as determined by the Board of Directors, such co-owner shall be obligated to pay interest at the maximum legal rate on such common charges from the due date thereof, together will all expenses, including attorney's fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. The Board of Directors shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such co-owner, or by foreclosure of the lien on such apartment granted by §66-27-116 of Tennessee Code Annotated, or both.

SECTION 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Directors to foreclose a lien on an apartment because of unpaid common charges, the Board of Directors, acting on behalf of the Association, shall have the power to purchase such apartment unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

SECTION 8. Statement of Common Charges. The Board of Directors shall promptly provide any co-owner so requesting the same in writing, with a written statement of all unpaid common charges due from such co-owner.

SECTION 9. Abatement and Enjoinment of Violations by Co-Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Laws contained herein, or the breach of any provision of the Master Deed shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws:

(a) to enter the apartment in which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting co-owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach and to recover all costs of such enforcement, including reasonable attorney's fees.

SECTION 10. Maintenance and Repair. Except as provided in Section 3 hereof:

(a) All maintenance of and repairs to any apartment, structural or non-structural, ordinary or extraordinary, (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such apartment), shall be made by the owner of such apartments. Each co-owner shall be responsible for all damages to any and all other apartments and/or to the common elements within or adjacent to his apartment, which require maintenance or repair. The Board of Directors may make any repairs and maintain any co-owner's apartments and charge the cost of the same to the affected co-owner or co-owners.

(b) All maintenance, repairs and replacements to the common elements, whether located inside or outside of the apartment units, (unless necessitated by the negligence, misuse or neglect of a co-owner in which case such expense shall be charged to such co-owner), shall be made by the Board of Directors and be charged to all the co-owners as a common expense

(c) All maintenance, repairs and replacements to any limited common elements (except terraces) identified on the plat of record or otherwise herein (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of any owner of the abutting apartments, or by any agent, invitee, contractor or guest of any such owner) shall be made by the Board of Directors and may be charged to the co-owners who abut such limited common element or who are directly affected by such limited common element, as a common expense allocable to such co-owners alone.

SECTION 11. Restrictions on Use of Apartments. In order to provide for congenial occupancy of the property and for the protection of the values of the apartments, the use of the property shall be restricted to and shall be in accordance with the following provisions:

(a) Each of the apartments shall be used for single family residences only, except that Developer may use any apartment owned by Developer as a model for the purpose of marketing unsold apartments.

(b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of apartments.

(c) No nuisances shall be allowed on the property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the property by its residents.

(d) No immoral, improper, offensive, or unlawful use shall be made of the property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, relating to any portion of the property, shall be complied with, by and at the sole expenses of the respective co-owners or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the property.

(e) No portion of an apartment (other than the entire apartment) may be rented, and no transient tenants may be accommodated therein. This restriction is not meant to prohibit as many adults as there are bedrooms in the particular apartment from living in an apartment together and each paying his/her pro rata share of rent due to the apartment owner.

(f) Apartments shall not be leased for a term of less than one (1) year in duration, except that Developer may enter into a lease of shorter term in the case of an apartment which remains unsold by Developer. Apartment owners shall submit a copy of the written lease agreement, including lease extensions and modifications, if any, to the Homeowners' Association.

(g) No sale of any kind shall be conducted on the premises except to sell the personal effects of a deceased co-owner or tenant or his or her spouse; provided, however, that such permitted sale shall be conducted for no longer than two consecutive days and between the hours of 9 A.M. and 5 P.M.

(h) No addition, alteration or improvement may be made to the balcony outside the apartment. Nothing may be hung on the balcony, such as, but not limited to, drapes, shades screens. The balconies may not be enclosed.

(i) No dogs shall be allowed on the property.

SECTION 12. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions, alterations or improvements, and the making of such additions, alterations or improvements, shall have been approved by a majority of the co-owners and the provisions of Section 12 of Article III hereof having been complied with, the Board of Directors shall proceed with such additions, alterations, or improvements and shall assess all co-owners for the cost thereof as a common charge.

SECTION 13.

A. Additions, Alterations or Improvements by Co-Owners. No structural additions, alterations or improvements in or to his apartment shall not be made by any co-owner without the prior written consent thereto of the Board of Directors. A lien for labor or materials shall attach to such co-owner's interest in the Condominium and not the Condominium as a whole. The

Board of Directors shall have the obligation to answer any written request by a co-owner for approval of a proposed structural addition, alteration or improvement in such co-owner's apartment, within thirty (30) days after such request, and failure to do so with the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. Any application to any department of the Government of Nashville, Davidson County, Tennessee, or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any apartment shall be executed by the Board of Directors only, without however, incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or materialman on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 13 shall not apply to apartments owned by the Developer until such apartment shall have been initially sold by the Developer and paid for.

B. Additions, Alterations or Improvements to Balconies by Co-Owners. Additions, alterations or improvements to the balconies outside each apartment are prohibited. The Developer and all owners who take title to apartments in this development acknowledge specifically and agree by taking title that it is important to maintain the balconies as originally constructed in order to preserve the architectural integrity and appearance of the building exterior. In addition, nothing may be hung from any balcony, such as, but not limited to, drapes, shades screens.

SECTION 14. Use of Common Elements and Facilities.

(a) A co-owner shall not place or cause to be placed in the common areas or common facilities, other than a terrace or yard to which such co-owner has sole access, and other than the areas designated by the Board of Directors, any furniture, packages or objects of any kind, except with the written consent of the Board of Directors or its agent.

(b) Any limited common elements, which have been designated as herein and otherwise in the Plat of record, shall be used only by that or those apartments which abut directly thereon, and the use thereof shall be limited only to that to which the same are reasonably suited and which are incident to the use and occupancy of such abutting apartments or as otherwise restricted herein on the Plat of record.

(c) Developer shall have the right to maintain a sales or management office in one of the apartments until all apartments are sold by Developer or until Developer ceases to manage the condominium, whichever shall last occur.

SECTION 15. Right of Access. A co-owner shall grant a right of access to his apartment to the manager and/or the managing agent and/or any other person authorized by the Board of Directors, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating or existing in his apartment or threatening another apartment or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his apartment unit or elsewhere in the building, or to correct any condition which violates the provisions of any mortgage covering another apartment, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the apartment owner. In case of an emergency, such right of entry shall be immediate, whether the co-owner is present at the time or not.

SECTION 16. Rules of Conduct. Rules and regulations concerning the use of the apartments and the common elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Directors to each co-owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Directors, are annexed hereto and made a part hereof as "Exhibit A".

SECTION 17. Electricity, Water and Sewer Charges. Electricity shall be separately metered to all apartments. Natural gas (for the gas fireplace logs only), electricity for outside lighting and water shall be supplied through one or more building meters and constitute a common expense together with all related sewer charges arising therefrom. The Board of Directors may in its sole and absolute discretion allocate utility charges on a different basis than the allocation of other common charges. The allocation must be applied as uniformly as possible. Initially, 1/19th of the cost paid by the Board as a common expense for said natural gas, electricity and water expense shall be billed to each apartment.

SECTION 18. Special Assessments. In addition to the other common charges authorized herein, if either fifty-one (51%) percent of the co-owners with the concurrence of the Board of Directors or eighty (80%) percent or more without Board approval decide upon and vote for the construction of additional recreational and other common facilities, or the alteration, remodeling, demolition or removal of existing recreational and other common facilities from time to time, then the cost of such construction, etc., shall be financed by increasing the common charges paid by all co-owners upon the same basis as other common charges are paid and such increased

common charges shall be paid monthly over a term of years if satisfactory financing can be obtained.

SECTION 19. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each apartment owner for his apartment and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that such taxes for any year are not separately taxed to each apartment owner, but rather are taxed on the property as a whole, such taxes shall be a common expense and each apartment owner shall pay his share in proportion to his respective percentage of ownership in the Common Elements.

ARTICLE VI

MORTGAGES

SECTION 1. Notice to Board of Directors. A co-owner who mortgages his apartment shall notify the Board of Directors of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors; the Board of Directors shall maintain such information in a book entitled "Mortgages of Apartments".

SECTION 2. Further Assurance to Mortgagees. As further assurance to mortgagees, the following matters are hereby provided.

1. Except as provided by statute in case of condemnation or substantial loss to the units and/or common elements of the condominium project, unless at least two-thirds (2/3) of the first mortgagees (based upon one vote for each first mortgage owed), or owners (other than the sponsor, developer, or builder) of the individual condominium units have given their prior written approval, the condominium homeowners' association shall not be entitled to:

(a) by act or omission, seek to abandon or terminate the condominium project;

(b) change the pro rata interest or obligation of any individual condominium unit for the purpose of: (i) levying assessments or changes or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each condominium unit in the common elements;

(c) partition or subdivide any condominium unit:

(d) by act or omission, to seek to abandon, partition, subdivide, encumber, sell or transfer the common elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause);

(e) use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such condominium property.

(f) amend any provision in the Master Deed or By-Laws which exists for the express benefit of first mortgage holders.

2. All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual condominium units and not to the condominium project as a whole.

3. No provision of these By-Laws or the Master Deed is intended to give a condominium unit owner, or any other party, including the Homeowners' Association , priority over any rights of the first mortgagee of the condominium unit pursuant to its mortgage in the case of a distribution to such unit owner of insurance proceeds or condemnation awards for losses to or a taking of condominium units and/or common elements, or in the case of liens for unpaid assessments.

4. Condominium dues or charges shall include an adequate reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments.

5. A working capital fund shall be established for the purpose of meeting unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable. Such fund shall be acquired by the collection of an amount equal to two regular monthly assessments at the time of the closing of the initial sale of each apartment. The amounts so paid shall not be treated as prepayments of regular assessments.

6. A first mortgagee, upon request, will be entitled to written notification from the Homeowners' Association of any default in the performance by the individual unit Borrower of any obligation under the condominium constituent documents which is not cured within sixty (60) days.

7. Any first mortgagee who acquires title to a condominium apartment pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such apartment's unpaid dues or charges which accrued prior to the acquisition of title to such apartment by the mortgagee; provided, however, that any such delinquent assessments which were extinguished pursuant to this provision may be reallocated and assessed to all of the units as a common expense; and provided further that any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of an apartment from liability for, nor the apartment from the lien of, any assessments made thereafter.

8. Until control of the association is transferred from Developer to a Board elected by the co-owners as set forth in Section 1 of Article II hereof, the following actions will require the prior approval of the Federal Housing Administration and the Veterans Administration: Annexation of additional properties, dedication of Common Area and the amendment of the Master Deed of By-Laws.

9 The terms of this Article VI Section 2 shall be deemed to be automatically amended to meet any and all changes in the Federal National Mortgage Corporation or Federal Home Loan Mortgage Corporation guidelines for condominiums or any requirements for the operation of a condominium development as imposed by those agencies.

SECTION 3. Examination of Books. Each co-owner and each mortgagee of an apartment shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more often than once a month, and to receive on request, at reasonable cost, current copies of the Master Deed, By-Laws and other rules concerning the property.

ARTICLE VII

NON- SEVERABILITY OF OWNERSHIP

SECTION 1. No Severance of Ownership. The interest, rights and privilege to which a co-owner is entitled by reason of the ownership of an apartment are herein designated Appurtenant interests and include, but are not limited to an undivided interest in the common elements of the horizontal property regime, the rights and privileges to use and enjoy the common elements, the interest of a co-owner in an apartment or apartments acquired by the Board of Directors or its designee on behalf of all co-owners or the proceeds of the sale or lease thereof, if any, the right to attend and to vote at the meetings of co-owners and the interest of a co-owner in any other assets of the horizontal property regime. No co-owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his apartment without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interest of any apartment may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all apartments.

SECTION 2. Waiver of Right of Partition with Respect to such Apartments as are Acquired by the Board of Directors, or its Designee, on behalf of the Association as Tenants in Common. In the event that an apartment or any common elements or any other property shall be acquired by the Board of Directors, or its designee, on behalf of the Association, all co-owners, shall be deemed to have waived all rights of partition with respect to such apartment or property.

ARTICLE VIII

CONDEMNATION

SECTION 1. Condemnation. In the event of a taking in condemnation or by eminent domain of a part of the common elements, the award made for such taking shall be payable to the Board of Directors, for and on behalf of the Association, if such award amounts to $20,000 or less, and to the insurance trustee if such award amounts to more than $20,000. If a majority of the Board of Directors in their sole and absolute discretion approve the repair and restoration of such common elements the Board of Directors shall arrange for the repair and restoration of such common elements, and the Board of Directors or the Insurance Trustee, as the case may be, 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 of Directors does not duly and promptly approve the repair and restoration of such common elements, the Board of Directors or the insurance trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these By-Laws.

ARTICLE IX

RECORDS

SECTION 1. Records and Audits. The Board of Directors or the managing agent shall keep detailed record of the actions of the Board of Directors and the managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the co-owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each apartment which, among other things, shall contain the amount of each assessment of common charges against such apartment, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Condominium shall be rendered by the Board of Directors to all co-owners at least annually. In addition, an annual report of the receipts and

expenditures of the Condominium shall be rendered by the Board of Directors to all co-owners and to all mortgagees of apartments who have requested the same, promptly after the end of each fiscal year.

ARTICLE X

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MISCELLANEOUS

SECTION 1. Notices. All United States mail notices hereunder shall be delivered or sent by registered or certified mail to the Board of Directors c/o the managing agent, or, if there be no managing agent, to the office of he Board of Directors, or to such other address as the Board of Directors may hereafter designate from time to time by notice in writing to all co-owners and to all mortgagees of apartments. All notices to any co-owner shall be delivered or sent by registered or certified United States mail to the building or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of apartments shall be sent by registered or certified United States mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

SECTION 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

SECTION 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

SECTION 5. Waiver. No restriction, condition, obligations, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 6. Insurance Trustee. The Insurance Trustee shall be **AmSouth Bank** of Nashville, Tennessee, unless and until it shall be replaced by a bank or trust company in Nashville, Tennessee, approved by the Board of Directors. In the event that the Insurance Trustee shall resign the new Insurance Trustee shall be a bank or trust company in Nashville, Tennessee, designated by the Board of Directors The Board of Directors shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a common expense of the Condominium.

SECTION 7. Proxy. Any act or approval in writing shall be binding upon the person approving same.

ARTICLE XI

AMENDMENT TO BY-LAWS

SECTION 1. Amendment to By-Laws. These By-Laws may be modified or amended by the written consent or vote of sixty-seven (67%) percent of all co-owners of the then existing apartments in the Condominium, except that an amendment to allow an alteration or improvement to building balconies which amendment shall require written consent or vote of ninety (90%) percent of all co-owners. Such modifications or amendments shall not be effective until filed for record in the Register of Deeds Office for Davidson County.

ARTICLE XII

CONFLICTS

SECTION 1. Conflicts. These By-Laws are set forth to comply with the requirements of the Tennessee Horizontal Property Act, now codified as §66-27-101, et seq., of the Tennessee Code Annotated as it may be amended from time to time, to allow the By-Laws to control in specific situations where such law allows. In case any of these By-Laws conflict with the provisions of said statute or of the Master Deed, the said statute or the Master Deed, as the case may be, shall control. Terms which are not defined in the Master Deed and the Plan of record or in these By-Laws shall be deemed to be the same as defined in such Act.

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