MASTER DEED ESTABLISHING THE CRAIGHEAD, A CONDOMINIUM

RICHARD B. FRENCH (the "Developer"), declares this Master Deed as his plan for ownership in condominium of certain property (the "Property") located in Nashville, Davidson County, Tennessee and more particularly described in Exhibit A attached hereto as a part hereof.

WITNESSETH:

The Developer submits the Property and improvements thereon to a condominium property regime in the manner provided in Tennessee Code Annotated, Title 66, Chapter 27, Sections 101-123, as may be amended or supplemented from time to time, and known as the "Horizontal Property Act" (the "Act"). The condominium property regime shall be known as The Craighead, A Condominium (the "Condominium"). The Developer makes the following declarations regarding divisions, limitations, expansions, restrictions, reservations, easements, covenants and conditions, hereby declaring that the Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to this Master Deed. The provisions of this Master Deed constitute covenants running with the land and are binding on and for the benefit of present and future owners, lessees and mortgagees of any part of the Condominium.

A. **Definitions**. Certain terms as used in this Declaration shall be defined as follows:

1. "Council of Co-owners" or "Council" means "Council of The Craighead, A Condominium, Inc.", a nonstock, nonprofit corporation whose membership consists of all of the Unit owners acting as a group in accordance with this Declaration, any amendments thereto, the bylaws and any other governing documents.

2. "Common Elements" means:

(a) The Property in fee simple, except as included in the Private Elements;

(b) The grounds, landscaping, courtyard, roadways, walkways and parking areas located on the Property, except as included in the Private Elements;

(c) The retaining walls constructed as part of the infrastructure of the Property; and

(d) All other devices or installations existing for common use, and all other elements of the structures erected upon the Property which are rationally of common use or necessary to their existence, upkeep and safety.

3. "Common Expenses" means and includes all charges, costs, and expenses incurred by the Council for and in connection with the administration and operation of the Condominium, including, without limitation, maintenance, repair, replacement, painting and restoration (to the extent not covered by insurance) of the Common Elements; any additions and alterations thereto; all labor, services, common utilities, materials, supplies and equipment therefor; all liability for loss or damage arising out of or in connection with the Common Elements and their use; all premiums for hazard, liability and other insurance with respect to the Condominium; all liabilities incurred in acquiring a Unit pursuant to judicial sale; and all administrative, accounting, legal and managerial expenses. Also, "Common Expenses" shall include amounts incurred in replacing, or substantially repairing, major

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

capital improvements of the Condominium, including, but not limited to, road, driveway and parking lot resurfacing. All of the above shall constitute Common Expenses of the Condominium for which the Unit owners shall be equally and severally liable for on a quarter-annual basis. The Condominium's Common Expense budget shall include a reserve for capital expenditures.

4. "Limited Common Elements" means those Common Elements which are reserved for the exclusive use of a Unit, including but not limited to:

(a) Entrances and exits to the Unit;

(c) Chimneys except that portion, if any, totally inside a Unit;

(d) Utility service facilities serving a Unit or several Units; and

(g) An automobile parking space or spaces for each Unit which may be designated for the exclusive use of a Unit owner by the Developer or the Council under subsection 6 of Section D of this Master Deed.

5. "Private Elements" means the area of the Property upon which a Unit, including any courtyard associated with said Unit (all as indicated on Exhibit B attached hereto and incorporated herein by reference), is located and for which fee simple ownership and exclusive use is reserved to that Unit only. Notwithstanding that some of the following might be located in the Common Elements, the plumbing, heating and air conditioning equipment (including all ducts and pipes), electrical wiring and equipment, hot water heater, telephone lines, and other equipment located within or connected to a Unit for the sole purpose of serving that Unit exclusively, are a part of the Private Elements, the maintenance, repair and replacement of same being the responsibility of the Unit owner, except to the extent that the master insurance policy carried by the Council covers repair or replacement.

6. "Property" means the real property located at Craighead and West End Avenue, conveyed to The Craighead, A Condominium, pursuant to this Master Deed.

7. "Unit" or "Condominium Unit" means the residential structure and associated courtyard, as indicated on Exhibit B attached hereto and incorporated herein by reference, located on the Property and having direct access to the Common Elements. Each Unit shall be subject to fee simple ownership and exclusive use by the owner thereof. The identification numbers, location and extent of each Unit are as shown on Exhibit B.

B. <u>Description of Units</u>. The Condominium shall consist of four (4) Units. Units 1 through 3 are being constructed in the manner indicated on Exhibit B. This Master Deed will be amended at such time as the fourth (4^{th}) Unit is constructed to indicate the Personal Elements of said fourth (4^{th}) Unit; until so amended, the Personal Elements of Unit 4 will be as indicated on Exhibit B. The owner of each Unit, whether constructed or not, will have an equal and common right to share with all owners of the other Units in the Common Elements of the Condominium. Additionally, the Developer reserves the exclusive right to amend this instrument for the purpose of showing completed Units "as built," without the necessity of any Unit owner or other interest holder joining in the amendments. The recording of plans showing the Units "as built" shall not otherwise change the terms and conditions of this Master Deed.

C. Common Interest. Each Unit shall have appurtenant thereto an equal and undivided interest in the Common Elements; shall have an equal and undivided share in all common profits and Common Expenses of the Condominium; and shall have an equal and undivided interest for all other purposes, including voting.

D. Easements; Reservations; Parking Spaces. The Units and Common Elements shall have and be subject to the following easements:

1. An easement shall exist for the maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines running through or around any Unit, which facilities serve more than that Unit and are part of the Common Elements.

2. If any part of the Common Elements encroaches upon any Unit or Limited Common Element, an easement shall exist for the encroachment, the maintenance, repair and replacement thereof, so long as it continues. If any Unit shall be partially or totally destroyed and then rebuilt, minor encroachments on any parts of the Common Elements due to reconstruction shall be permitted, and easements shall exist for the encroachments.

3. An easement shall exist for any part of a residential structure, including, but not by way of limitation, the roof, eave, cornice, gutter and related structural elements, as shall encroach over or upon any adjoining Unit or the Common Elements. Said easement shall also exist for the maintenance, repair and replacement of said encroaching structural elements.

4. An easement exists for ingress, egress and maintenance in favor of any public utility providing utility service to the Condominium and the Units.

5. An easement exists in favor of the Council, exercisable by the Council and its agents, to enter into any Unit from time to time in the event of emergency, for necessary action to prevent damage to any part of the Condominium.

6. The Developer reserves the right during development to grant, transfer, cancel, relocate, and otherwise deal with all utility and other easements now or hereafter affecting the Common Elements. After transfer of control of the administration of the Condominium to the Council, as provided in Section H below, the Council may grant permits, licenses, and easements over the Common Elements for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

7. Any exterior parking area or other exterior paved portion of the Condominium designated for parking purposes shall be part of the Common Elements and not part of any individual Unit, except as indicated on Exhibit B.

8. Developer is irrevocably empowered, notwithstanding anything herein to the contrary, to sell, lease, or rent Units to any person approved by it. Developer shall have the right to transact, on the Condominium property, any business deemed necessary by Developer to consummate the sale, lease, or resale of Units, including, but not limited to, the right to post signs, to reserve parking spaces for prospective purchasers, to use the Common Elements and to show Units. Signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of Developer. As long as any Unit belonging to Developer

remains unsold, neither the Unit owners, nor the Council, nor the use of the Condominium property, shall interfere with the sale of Units.

E. Alteration and Transfer of Interests. The Common Elements and easements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of the Council and the Unit owner affected, except where such authority is retained herein by the Developer. The Common Elements and easements shall not be separated from the Unit to which they appertain, and shall be deemed to be conveyed, leased or encumbered with the Unit even though the Common Elements or easements are not expressly mentioned or described in the conveyance or other instrument. Nothing in this Section shall prevent the Developer or the Council from subsequently designating (and allowing the construction of) attached porches, patios (with enclosure fences) and balconies as Limited Common Elements.

F. Partition. The Common Elements shall remain undivided and shall not be the object of any action for partition or division of any part thereof except as provided by the Act.

G. Restrictions. The Units and the Common Elements shall be subject to the following restrictions, which restrictions shall be permanent:

1. Except as otherwise approved in writing by the Council, the Unit shall be used only as a private dwelling, shall not be subdivided, and shall be subject to such limitations and conditions as may be contained herein, or in the Bylaws of the Council, or any rules which may be adopted from time to time by the Council as to the use and appearance of the Units and the Common Elements.

2. Any Unit lease shall be in writing and shall be subject to this Master Deed, as may be amended, and to the Bylaws and rules as amended from time to time. No Unit shall be rented on a daily, weekly or monthly basis.

3. Violation of this Master Deed, the Bylaws or any rules adopted by the Council, may be remedied by the Council, or its agent, by the imposition of reasonable fines or by legal action for damages, injunctive relief, restraining order, or specific performance. In addition, an aggrieved Unit owner may maintain a legal action for similar relief. A Unit owner, in accepting ownership of a Unit, agrees to become subject to this enforcement in the event of a violation.

H. Council of Co-owners. The administration of the Condominium shall be vested in a Council of Co-owners consisting of all the Unit owners of the Condominium. The Council has been incorporated as a non-stock, non-profit corporation under the name "Council of The Craighead, A Condominium, Inc.", which Charter is recorded in the Davidson County, Tennessee Register's office. A copy of the initial Bylaws of the Council is attached to this Master Deed as Exhibit C. The owner of any Unit, upon acquiring title, shall automatically become a member of the Council and shall remain a member until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Council shall automatically cease. The administration of the Condominium, including the adoption and amendment of Bylaws, adoption of rules, assessment of Common Expenses and all other matters relating to the administration of the Condominium, is vested in the Developer until (i) four months from the date seventy-five percent (75%) of all Units of the Condominium have been conveyed, (ii)

the Developer elects to surrender this power to the Unit owners, or (iii) three years after the date of conveyance of the first Unit to an owner other than Developer, whichever first occurs. Until that time, the Developer shall constitute the Council, and shall possess the irrevocable proxy of the Unit owners to operate and administer the Condominium during this time, which proxy each Unit owner automatically grants upon acceptance of a deed to a Unit. All Unit owners, by acceptance of a deed to a Unit, agree to this administration of the Condominium by the Developer.

I. **Administration of the Condominium**. Administration of the Condominium, including the use, maintenance, repair, replacement and restoration of the Common Elements, and any additions and alterations to them, shall be in accordance with the provisions of the Act, this Master Deed, the Bylaws of the Council, and all rules adopted by the Council. Specifically (but not exclusively), effective upon completion of all Units, the Council shall:

1. Maintain, repair and replace all improvements in the Common Elements which may be required by law to be maintained, repaired and replaced upon, adjoining, in connection with, or for the use of any part of the Condominium.

2. Keep all Common Elements in a clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority, where applicable to the Condominium.

3. Well and substantially repair, maintain and keep all Common Elements of the Condominium in good order and condition; including keeping all trees, shrubs and grass in good cultivation and replanting the same as may be necessary.

4. Except as may be provided herein, in the Bylaws and Condominium rules, keep all Limited Common Elements in a clean and sanitary condition and substantially repair, maintain and keep them in good order and condition.

5. Observe any setback lines affecting the Condominium as shown on the plans herein mentioned.

6. Not make or suffer any waste or unlawful, improper or offensive use of the Condominium.

7. Regulate the use of the Common Elements and Limited Common Elements.

J. **Delegation of Administration**. The Council shall be authorized to delegate the administration of its duties and powers by written contract to a professional managing agent or administrator employed for that purpose by the Council so long as such contract does not exceed three years in duration and is cancelable by the Council, without cause or payment of a termination fee, upon ninety days prior written notice. It shall be the duty of the Council to determine, annually, the estimated Common Expenses of the Condominium for the succeeding twelve months, and, having so determined, to make and collect the assessment quarter-annually from each Unit owner. Each Unit owner shall contribute equally, but assessments shall not begin until the first full month following the transfer of 50% of the Units and shall be prorated based upon the portion of the quarter-annual period

remaining. At the time the purchase of a Unit from Developer is closed, the Council shall collect from the purchaser an amount equal to one quarter's assessment: such amount shall not be deemed the payment of the quarter's assessment, but shall be considered a working capital fund for the Council.

K. Waiver of Use of Common Elements. No Unit owner may except himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit.

L. Unpaid Common Expenses Constitute Lien; Power of Sale.

1. Unpaid Common Expenses shall constitute a lien on the Unit of the delinquent Unit owner, prior to all other liens except for (i) liens for taxes and assessments lawfully imposed by governmental authorities against such Units and (ii) the lien of a first deed of trust. Such lien shall also secure reasonable attorney fees and all costs incurred in the collection of the unpaid share of Common Expenses or the enforcement of the lien. If a Unit owner shall fail to pay the proportionate share of Common Expenses for a period of ten days following the date on which the same become due, the Council may assess a "late charge" of fifteen percent per annum of the unpaid amount or such other late charge as the Council may determine. If such share remains unpaid for a period of thirty days following the due date, together with any late charge thereon, the Council may declare the entire proportionate share of Common Expenses of that Unit owner for the next succeeding full twelve calendar months immediately due and payable, without further notice or demand, and proceed to collect the same. The lien for unpaid Common Expenses may be enforced by suit by the Council or the Council's agent, acting on behalf of the Council, in like manner as a mortgage or deed of trust of real property, provided that thirty days' prior written notice of intent to sue to enforce the lien shall be mailed, postage prepaid to all persons having an interest in such Unit (including any mortgagees), as shown on the Council's record of ownership. The Council shall have the power to bid on such Unit at judicial sale or pay for and accept a deed in lieu of foreclosure; and to acquire, hold, lease, mortgage and convey such Unit. Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without judicial lien enforcement and without waiving the right to enforce the lien securing the same. Without in any manner limiting its rights aforesaid, the Council or the Council's agent, acting on behalf of the Council, may also file a lien for unpaid Common Expenses.

2. For and in consideration of the privileges, protections, mutual enjoyment and use of the Common Elements, the assumption of the obligations of Unit owners set forth in this Master Deed, the receipt of which is hereby acknowledged, and to secure the payment of shares of Common Expenses assessed against a Unit owner, late charges and attorney fees as provided herein, hereinafter collectively referred to as the "Secured Charges", a lien is expressly retained in favor of the Council.

For the purpose of better and more effectually securing the Secured Charges, rendering unnecessary any court proceedings for the enforcement of said lien in the event of the nonpayment of the Secured Charges, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the Unit owners, their heirs, successors, administrators, and assigns, hereinafter referred to as Trustors, hereby transfer and convey unto Robert

L. Scruggs, Trustee, his successors and assigns (the "Trustee"), their respective Units with the appurtenances, estate, title and interest thereto belonging.

Trustors agree (i) to pay the Secured Charges when due, as provided in this Master Deed; (ii) to pay, discharge, or remove any and all liens (except a first mortgage or deed of trust) which may be hereafter placed against their Unit and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; (iii) to keep their respective Units in good repair; (iv) to comply with all of the terms and conditions of this Master Deed and By-Laws and all rules and regulations of the Council; and (v) to pay upon demand of Trustee or the Council, all the costs and expenses, together with reasonable attorney fees, of any court appearance or other proceedings required by Trustee, his successors or the Council to enforce any provision of this Master Deed or the By-Laws or any rule and regulation of the Council. If any Trustor fails to do any of these things, then Trustee or the Council may do any or all of these things, and the amounts so paid shall bear interest at the highest rate allowed under applicable laws in effect from time to time from the day of payment and shall become a part of the Secured Charges secured hereby.

If a Trustor shall pay the Secured Charges when due, then this trust conveyance shall be of no further force or effect with respect to such Trustor's Unit. If the Secured Charges with respect to any Unit are not paid promptly when due, this trust conveyance shall remain in full force and effect, and the Trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty days notice by three publications in any newspaper, daily or weekly, published in Davidson County, Tennessee to sell the Unit at the front door of the Court House in that County to the highest bidder for cash, at public outcry, free from all statutory rights of redemption, the equity of redemption, homestead, dower and all exemptions of every kind, which are hereby expressly waived; and the Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Council may bid at any sale under this trust conveyance. The Council may, at any time after default in the payment of any of the Secured Charges, enter and take possession of the property, and shall only account for the net rents actually received by it. It is further agreed that, if the Council fails, before instructing the Trustee to sell the Unit, as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a deed for said property. In case of sale hereunder, the proceeds will be applied by the Trustee as follows:

(i) First, to the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided, including reasonable attorney fees and expenses incurred for instituting or defending any litigation which may arise on account of the execution of this conveyance, or the enforcement of said lien;

(ii) Second, to the payment of all taxes which may be unpaid with respect to such Unit;

(iii) Third, to the payment of all unpaid Secured Charges with respect to such Unit;

(iv) Fourth, the residue, if any, will be paid to the Unit owner of such Unit, his order, representatives or assigns;

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

M. **Acquisition at Foreclosure Sale**. Where the mortgagee of a first deed of trust of record or other purchaser of any Unit acquires ownership of such Unit as a result of the enforcement of the deed of trust, such Unit shall no longer be subject to a lien for unpaid assessments for Common Expenses which become due prior to such acquisition of title, except where such lien rights may be asserted against surplus proceeds of the sale.

N. **Insurance**. The Council shall carry a master policy of fire and extended coverage, vandalism, malicious mischief insurance and liability insurance, in a minimum amount of $1,000,000 for each occurrence, and if required by law, workers' compensation insurance (referred to in this Master Deed as "master policy"), with respect to the Condominium and the Council's administration thereof in accordance with the following provisions:

1. The master policy shall be purchased in the name of the Council for the use and benefit of the Council, the Unit owners and their mortgagees or trustees as their interests may appear, subject to the provisions of this Master Deed and the Bylaws (and provisions shall be made for the issuance of appropriate mortgagee endorsements to the mortgagees of the Unit owners). The Unit owners shall be responsible for obtaining fire and extended insurance coverage at their own expense upon their Units and equipment and personal property. In addition, the Unit Owners shall be responsible for obtaining comprehensive personal liability insurance covering liability for injury to person or damage to property of others within such Unit owner's Unit, or in another Unit in the Condominiums or upon the Common Elements resulting from the negligence of the insured Unit owner, in such amounts as may from time to time be determined by the Council, but in no case less than Five Hundred Thousand Dollars ($500,000.00) for each occurrence. The Unit owners shall use their best efforts to see that all property and liability insurance carried by a Unit owner or by the Council shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Unit owners or the Council and the respective employees, and agents of the Unit owners or the Council as the case may be.

2. All improvements, personal property and other Common Elements of the Condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement, including those covered by the standard "all risk" endorsement, in an amount equal to 100% of the current replacement cost thereof. The policy shall contain a "Special Condominium Endorsement," if available. The Council may elect to carry insurance to cover such other perils as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use.

3. The Council shall use its best efforts to see that the liability insurance carried contains cross-liability endorsements or appropriate provisions to cover liability of the Unit owners, individually and as a group (arising solely because of their ownership interests in the Common Elements), to another Unit owner.

4. The Council may, but shall not be required to, procure fidelity bond coverage for persons or entities handling or administering Council funds, whether or not those persons or entities receive compensation for their services. The fidelity bonds shall cover the greater of (i) the maximum funds that will be in the Council's custody at any time or (ii) the sum of three months' assessments on all Units plus the Capital Replacement Fund.

5. All premiums upon insurance purchased by the Council shall be Common Expenses.

6. Proceeds of all insurance policies owned by the Council shall be received by the Council for the use of the Unit owners and their mortgagees as their interests may appear; provided, however, the proceeds of any insurance received by the Council because of property damage shall be applied to repair and reconstruction of the damaged property, except as may otherwise be permitted by Section O of this Declaration.

7. Each Unit owner shall be deemed to appoint the Council as his true and lawful attorney in fact to act in connection with all matters concerning the maintenance of the master policy. Without limiting the generality of the foregoing, the Council as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefor, to collect proceeds and to distribute the same to the Council, the Unit owners and their respective mortgagees, as their interests may appear, to execute releases of liability and to execute all documents and to do all things on behalf of such Unit owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Council in regard to such matters. The Council shall not be responsible for procurement or maintenance of any insurance covering the structure or contents any Unit nor the liability of any Unit owner for injuries therein, not caused by or connected with the Council's operation, maintenance or use of the Condominium.

8. All insurance policies shall require the insurer to notify the Council and each first mortgage holder named in the mortgage clause in writing at least 10 days before the insurer cancels or substantially changes the policy.

O. Reconstruction. Where casualty destruction, partial or total, occurs to a Unit, any reconstruction or repair must be substantially in accordance with the original plans and specifications, unless such modifications to said plans and specifications are approved by a majority of the Council.

P. Alteration of the Condominium. Restoration or replacement of the Condominium (unless resulting from casualty destruction), or material alterations or additions to the buildings in the Condominium, shall be undertaken by any Unit owner only after approval by the Council, which shall have the authority to amend this Master Deed with the written consent of the owners of and the holders of all liens on Units affected and in accordance with the complete plans and specifications approved in writing by the Council. Promptly upon completion of such restoration, alteration or replacement, the Council shall duly record an amendment to this Master Deed if and to the extent there are any changes to the Common Elements, Limited Common Elements, or Private Elements.

Q. Maintenance Fund. The Board shall establish and pay into a Maintenance Fund all Common Expense collections from the Unit owners, assessed for and attributable to current expenses and shall pay from the Maintenance Fund all current Common Expenses of the Condominium.

R. **Capital Replacement Fund**. The Council shall establish a Capital Replacement Fund and pay into the same from month to month that portion of Common Expense collections from the Unit owners, attributable to the Common Expense budget item for capital replacement reserves. For example, if ten percent of the Common Expense budget for that particular year is assigned to capital replacement reserves, ten percent of Common Expense collections shall be paid over to the Capital Replacement Fund. Disbursements from this Fund, other than for investment as hereinafter authorized, shall be made only for replacing, or substantially repairing, major capital improvements, or for repayment of indebtedness incurred under Section T of this Declaration, approved by the Council. Fund balances available for investment may be invested by the Council in interest-bearing securities and/or savings accounts, so long as such investment is issued by an instrumentality of the United States or insured under a program secured by the full faith and credit of the United States.

S. **Additional Common Expense Provisions**. In addition to the other provisions of this instrument relating to the Condominium's Common Expenses, the following requirements and limitations are applicable:

1. The interest of each Unit owner in the Maintenance Fund and Capital Replacement Fund cannot be withdrawn or separately assigned, but are deemed to be transferred with such Unit even though not mentioned or described in the conveyance thereof.

2. If the Condominium herein created shall be terminated or waived, any part of the Funds remaining after full payment of Common Expenses and costs of termination shall be distributed to the then existing Unit owners.

T. **Incurrence and Retirement of Indebtedness**. The Council may borrow money from time to time for the following purposes:

1. To cover any budgetary deficit for operational expenses, so long as such loan can be repaid within six months from anticipated Common Expense income not needed for ongoing operations.

2. To pay costs of reconstruction, major repair, replacement or alteration of the Common Elements incurred under Section O (to the extent not covered by insurance proceeds) and Section P of this Declaration. There shall be no more than one authorized loan outstanding at any one time. When it is necessary to effect such a loan, the Council may pledge, as security thereon, its rights to receive that part of the monthly Common Expense income that is necessary to amortize the payoff of the loan.

U. **Voting and Voting Percentages**. Each Unit, whether constructed or not, shall be entitled to one (1) vote in all matters as to which a vote of Unit owners is taken hereunder. Owners shall be entitled to vote at Council meetings in person or by written proxy.

V. **Eminent Domain**. The following provisions shall control upon any taking by eminent domain:

1. In the event of the taking of an entire Unit by eminent domain, the Unit owner and the Unit owner's mortgagee(s), as their interests may appear, shall be entitled to receive the award for such Unit taking and, after acceptance thereof, the Unit owner, the Unit owner's mortgagee(s) and other interest holder shall be divested of all interest in the Condominium. If any condemnation award shall become payable to any owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the

Council on behalf of such owner. In that event, the Council shall rebuild the Unit as is necessary to make it habitable and remit the balance, if any, of the condemnation proceeds pertinent to the Unit owner thereof and the Unit owner's mortgagee(s), as their interests may appear.

2. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Council. The affirmative vote of not less than three of the Unit owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the Unit owners equally.

3. If the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and this Master Deed amended accordingly by the Council.

W. Mortgagees' Rights.

1. A holder, insurer or guarantor of a first deed of trust ("Mortgagee"), upon written request to the Council stating the Mortgagee's name and address and the unit number of the Unit, will be notified timely and in writing by the Council of the following:

(a) Any condemnation or casualty loss which affects a material portion of the Condominium or which affects any Unit that secures the Mortgagee's mortgage or deed of trust;

(b) Any sixty day delinquency in the payment of assessments or charges owed by the owner of any Unit on which the Mortgagee holds the mortgage or deed of trust;

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

(d) Any proposed action that requires the consent of mortgage holders.

2. The Council shall make available for inspection, upon request and during normal business hours or under other reasonable circumstances, to any Unit Owner or Mortgagee current copies of this Master Deed, the Bylaws, any rules and regulations, and the books, records and financial statements of the Council.

3. The Council shall furnish, upon written request, a financial statement for the immediately preceding fiscal year to any Mortgagee.

4. Except as provided by the Act in case of substantial loss to the Units and/or Common Elements, unless at least three (3) Unit Owners have given their prior written approval, the Council shall not be entitled to:

(a) By act or omission seek to abandon or terminate the condominium;

(b) Change the pro-rata interest or obligations of any Unit for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or (ii) determining the pro-rata share of ownership of each Unit in the Common Elements;

(c) Partition or subdivide any Unit;

(d) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes consistent

with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause); and

(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 the Condominium.

5. No interpretation shall be given to this Master Deed or any other Condominium documents which would give a Unit Owner, or any other party, priority over any rights of first Mortgagees pursuant to their mortgages in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or taking of Units and/or Common Elements.

X. Amendment of Master Deed. Except as otherwise provided in this Master Deed, or in the Act, this Master Deed may be amended from time to time by:

1. A majority of the Unit owners, voting in person or by proxy at a meeting of the Council. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered. An amendment adopted by such a majority shall be signed and certified by the President and Secretary of the Council as having been duly adopted and shall be effective upon recording of the signed instrument setting forth the amendment. No amendment shall discriminate against any Unit owner, or against any class or group of Units, unless the Unit owner(s) affected shall consent. No amendment shall change any Unit, nor the share of the Common Elements appurtenant to it, nor increase the Unit owner's share of the Common Expenses, unless the Unit owner affected and all record holders of liens on the affected Unit, join in the amendment.

2. The Developer in recording amended floor plans of Units on an as built basis without necessity for any Unit owners or other owners of interest joining in.

Y. Transfer of Developer's Rights. The Developer may assign, transfer or convey its interest in the Property and its interest as the Developer under the Master Deed. Any mortgagee of the Developer may acquire the Property or the Developer's interest under this Master Deed in order to enforce its mortgage. Any such successor to the Developer shall succeed to all of the rights of the Developer under this Master Deed, including, without limitation, those rights set forth in Sections B, D, H, J and X, and under the Bylaws.

Z. Termination. The Condominium may be terminated as follows:

1. If it is determined that the damaged property shall not be reconstructed because of substantial loss in accordance with Tenn. Code Ann. 66-27-118 as may be amended or supplemented from time to time.

2. At any time after obtaining the prior approval in writing of all Unit owners, and by all record owners of liens thereon in accordance with Tenn. Code Ann. 66-27-109.

The termination of the Condominium shall be evidenced by a deed in compliance with Tenn. Code Ann. 66-27-109, certifying the facts effecting the termination, which deed shall become effective upon being recorded in the Register's office of Davidson County, Tennessee.

WITNESS the signature of the Developer on this 1st day of March, 1999.

RICHARD B. FRENCH

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned notary public, of said County, Richard B. French, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand and seal this 1st day of March, 1999.

Notary Public

My Commission Expires: _____

ROBERT L SCRUGGS NOTARY Exp 03/24/2001 PUBLIC DAVIDSON COUNTY TENNESSEE

EXHIBIT A

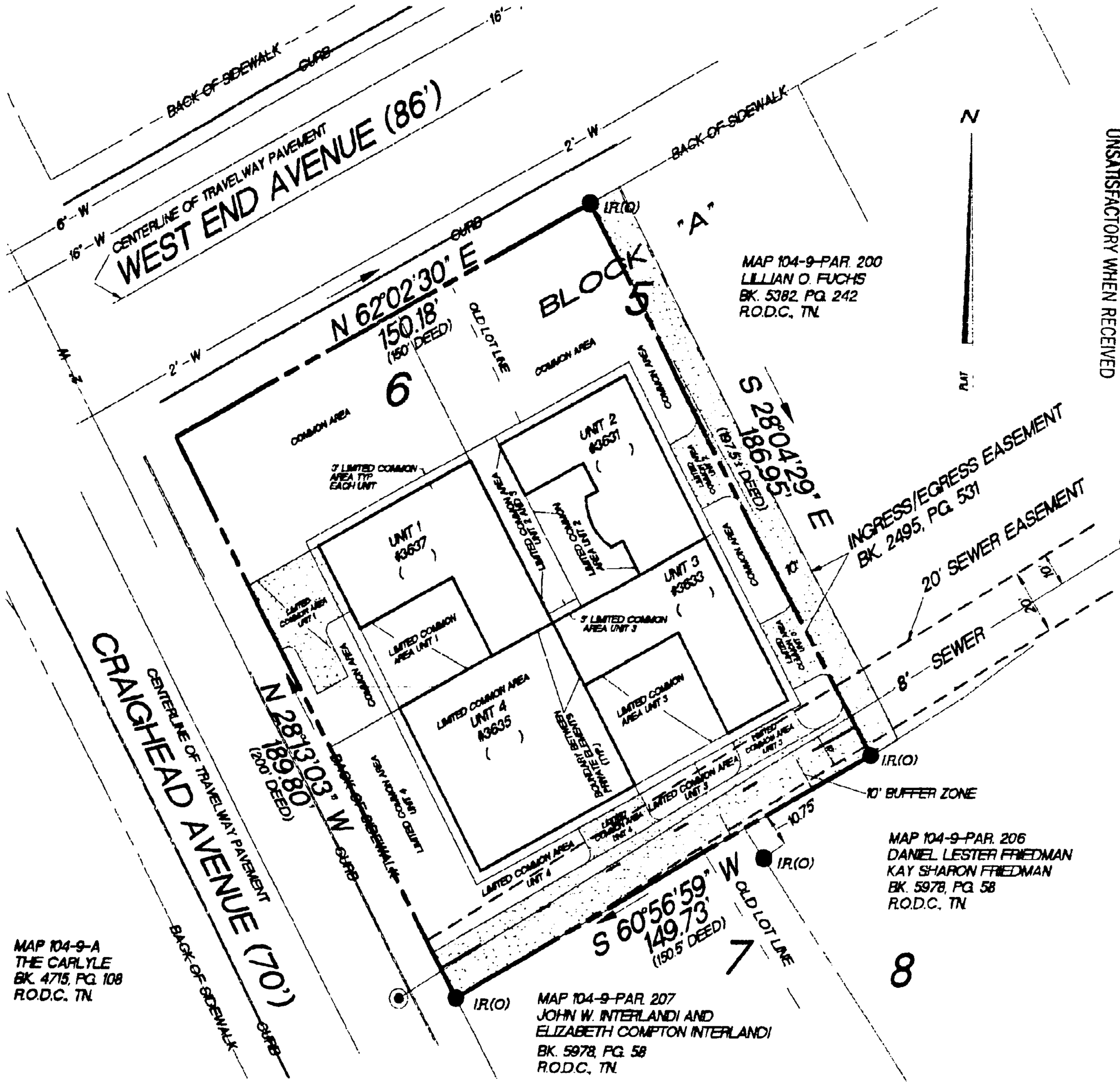
PROPERTY DESCRIPTION

Land in Davidson County, Tennessee, being Lot No. 6 on the West one-half of Lot No. 5 of Block "A" on the Map of Whitland Realty Company's Subdivision of record in Book 332, page 141, Register's Office for Davidson County, Tennessee.

Said Lot No. 6 and part of said Lot No. 5 adjoin and front together 150 feet on the southerly side of West End Avenue and run back between parallel lines 197.5 feet, more or less, on the east line of part of Lot No. 5 and 200 feet on the west line of Lot No. 6, along the easterly margin of Craighead Avenue, to a dead line on which they measure 150.5 feet.

Included with this conveyance is the conveyance of the perpetual easement in and to the 10-foot driveway of the westerly 10 feet of the remaining portion of Lot No. 5 (the part not conveyed) of Block "A" of Whitland Realty Company's Subdivision of record in Book 332, page 141, said Register's Office, said Easement being of record in Book 2495, page 537, said Register's Office.

Being the same property conveyed to Rick French by deed of record in Book



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

SURVEYORS CERTIFICATE

I HEREBY CERTIFY THAT THIS IS A CATEGORY I SURVEY WITH A DEGREE OF ACCURACY OF THE UNADJUSTED SURVEY BEING EQUAL TO OR GREATER THAN 1/10,000 AS SHOWN HEREON

JOHN ALAN HOOD, TN. R.L.S. NO. 1838

JOHN ALAN HOOD
REGISTERED LAND SURVEYOR
XVI
AGRICULTURE
COMMERCE
TENNESSEE NO. 1838

3-17-99

EXHIBIT "B"

HORIZONTAL PROPERTY REGIME (PRIVATE ELEMENT)
LOT 6 AND THE WEST ONE HALF
OF LOT 5, BLOCK 'A'- MAP OF
THE WHITLAND REALTY COMPANY'S
SUBDIVISION (BOOK 332, PG. 141 R.O.D.C., TN)
LAND IN NASHVILLE, DAVIDSON COUNTY
TENNESSEE LOCATED AT THE SOUTHEAST
CORNER OF WEST END AVENUE AND
CRAIGHEAD AVENUE

40' 0 40' 80'
GRAPHIC SCALE
(IN FEET)
1" = 40'

PREPARED FOR: BOB SCRUGGS
DATE: 3-17-99

PREPARED BY:
Campbell, McRae and Assoc. Surveying, Inc.
2424 21ST AVE. SO. SUITE 201
NASHVILLE, TENNESSEE 37212
PHONE (615) 298-2424 FAX(615)297-2828

BOOK 11394 PG. 229

EXHIBIT C

BYLAWS OF THE COUNCIL OF CO-OWNERS

THE CRAIGHEAD, A CONDOMINIUM

BOOK 11394 PG. 230

The following Bylaws shall apply to the above-named horizontal property regime (the "Condominium"), located in Nashville, Davidson County, Tennessee, more particularly described in and created by a Master Deed Establishing The Craighead, A Condominium (the "Master Deed") recorded in the Davidson County, Tennessee Register's Office and to all present and future owners, tenants and occupants of any units of the Condominium and all other persons who shall at any time use the Condominium. These are the Bylaws of The Craighead, A Condominium, Inc., incorporated under the laws of the State of Tennessee on March 3, 1999, and is of record in Book 11382, page 844, Register's Office of Davidson County, Tennessee.

ARTICLE I: Membership

Section 1. Qualification. All owners of units of the Condominium shall constitute the Council of co-owners (the "Council"). The owner of any unit upon acquiring title thereto shall automatically become a member of the Council and shall remain a member thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Council shall automatically cease. Owners shall be entitled to one (1) vote for each unit.

Section 2. Place of Meetings. Meetings of the Council shall be held in the Condominium or such other suitable place convenient to the unit owners as may be designated by the Council.

Section 3. Annual Meetings. Annual meetings of the Council shall be held on the last Monday of September of each year at a time set by the Council. However, the first organizational meeting of the Council shall occur within ten days following surrender by Richard B. French (the "Developer") of control of the Council, as provided in the Master Deed.

Section 4. Special Meetings. Special meetings of the Council may be held at any time upon the call of the President or a petition signed by at least fifty percent (50%) of the unit owners and presented to the Secretary following surrender of the Developer's control.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every unit owner according to the Council's record of ownership at least five days before the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by delivering it to the unit owner personally, or (b) by leaving it at the unit owner's unit in the Condominium or at the unit owner's usual residence or place of business, or (c) by mailing it, postage prepaid, addressed to the unit owner at the address for that unit owner as it appears on the Council's record

K 11394

of ownership. If notice is given pursuant to the provisions of this section, the failure of any unit owner to receive actual notice of any meeting shall in no way invalidate such meeting or any actions taken. The presence of any unit owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof.

Section 6. **Quorum**. The presence at any meeting in person or by proxy of a majority of the unit owners shall constitute a quorum, and the acts of a majority of the unit owners present, in person or by proxy, at any meeting at which a quorum is present shall be the acts of the Council except as otherwise provided herein.

Section 7. Voting. Each unit shall be entitled to one vote. Votes may be cast in person or by proxy by the respective unit owners as shown in the record of ownership of the Council. If a unit is owned by two or more persons, any record owner present at a meeting may cast the vote for that unit. If more than one record owner is present at a meeting, only one owner may cast the vote of the unit, as the unit owners agree among themselves. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Council the vote for any unit owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Council's record of ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such unit in such capacity.

Section 8. Proxies and Pledges. The authority given by any unit owner to another person to represent him at meetings of the Council shall be in writing, signed by such owner and filed with the Secretary, and unless limited by its terms shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such owner. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale or lease of any unit or interest therein, a true copy of which is filed with the Council shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Council in like manner.

Section 9. Adjournment. Any meeting of the Council may be adjourned from time to time to such place and time as may be determined by majority vote of the unit owners present, whether or not a quorum is present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

ARTICLE II: Officers

Section 1. Designation. The principal officers of the Council shall be a President and a Secretary/Treasurer. The Council may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary.

G 231

Section 2. Election, Term and Compensation. The officers of the Council shall be elected annually by the Council at is annual meeting, who shall serve until their successors have been duly elected and qualified.

Section 3. Removal. Any officer may be removed either with or without cause by vote of a majority of the members of the Council and that officer's successor elected at any regular meeting of the Council, or any special meeting.

Section 4. President and Vice President. The President shall be the chief executive officer of the Council and shall preside at all meetings of the Council. Subject to the control of the Council, the President shall exercise general supervision and direction over the management and conduct of the business and affairs of the Council. The President shall also have such other powers and duties as may be provided by these Bylaws or assigned from time to time by the Council. The Vice President, if any, shall so serve in the absence of the President.

Section 5. Secretary/Treasurer. The Secretary/Treasurer shall (i) attend and keep the minutes of all meetings of the Council, give all notices thereof as provided by these Bylaws, maintain and keep a continuous and accurate record of ownership of all units, and have charge of such books, documents and records of the Council as the Council may direct and (ii) maintain and keep the financial records and books of account of the Council, prepare regular reports thereof and be responsible for the proper deposit and custody, in the name of the Council, of all its funds and securities.

Section 6. Auditor. The Council shall appoint annually an accountant or accounting firm as auditor, who may not be an officer of the Council nor own any interest in any unit, to audit the books and financial records of the Council.

ARTICLE III: Administration

Section 1. Management. The Council shall at all times manage and operate the Condominium and have such powers and duties as may be necessary or proper therefor, including without limitation the following:

(a) Supervision of the immediate management and operation of the Condominium;

(b) Inspection, maintenance, repair, replacement and restoration of the common elements and any additions and alterations thereto;

(c) Purchase, maintenance and replacement of any equipment and provision for all water and utility services required for the common elements;

(d) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the Condominium;

(e) Preparation at least 60 days before each fiscal year of a proposed budget and schedule of assessments for such year;

(f) Collection of all installments of assessments levied and payment of all common expenses authorized by the Council;

(g) Purchase and maintenance in effect of all policies of hazard and liability insurance for the Condominium required by the Master Deed and such other insurance and bonds as may be required or authorized by the Master Deed or the Council;

(h) Notification of all persons having any interest in any unit, according to the Council's record of ownership, of any delinquency exceeding 60 days in the payment of any assessment against such unit;

(i) Assignment and supervision of motor vehicle parking including the authority to make reasonable rules, fines and charges in regard thereto;

(j) Supervision of the use of the common elements, which includes adoption and enforcement of Condominium Rules and enforcement of the provisions of the Master Deed and these Bylaws.

Section 2. Managing Agent. The Council may employ from time to time a responsible Managing Agent or Administrator to manage and control the Condominium, subject at all times to direction by the Council, with all the administrative functions set forth specifically in preceding Section 1, and such other powers and duties, and at such compensation as the Council may establish. The employment contract for a Managing Agent or Administrator shall not exceed three years in duration and shall be terminable by the Council without cause and without payment of a termination fee upon 90 days notice.

Section 3. Execution of Instruments. All checks, drafts, notes acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Council by such person or persons as shall be provided by general or special resolution of the Council or, in the absence of any such resolution applicable to such instrument, by the President or the Secretary/Treasurer.

ARTICLE IV: Obligations of Unit Owners

Section 1. Assessments. All unit owners shall pay to the Council, or if a Managing Agent is appointed, to the Managing Agent, in advance, when due, the quarter-annual assessments against their respective units for Common Expenses of the Condominium in accordance with the Master Deed. The assessment is delinquent if not received on or before the first day of the quarter that it is due. If any unit owner is delinquent in the payment of any assessment for a period in excess of ten days, a late charge of fifteen percent of the delinquent assessment shall be payable for each month of delinquency beginning with the initial month. In the event any unit owner is delinquent in the payment of any quarter-annual assessment for a period in excess of thirty days, including any late charge due thereon, the Council (or Managing Agent, if appointed) may declare the entire assessment for the next 12 full calendar months with respect to such unit to be immediately due and payable.

Section 2. Maintenance of Units. Every unit owner shall, at his own expense and at all times, repair, maintain, and keep the private elements of his unit, including, without limitation, all internal installations therein, such as water, electricity, telephone, sewer, sanitation, air conditioning, lights and all other fixtures and accessories belonging to such unit, and the interior decorated or finished surfaces of all walls, floors and ceilings of such unit, in good order and condition except as otherwise provided by law or the Master Deed, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work diligently, and, in case of such failure after reasonable notice to perform, shall reimburse to the Council promptly on demand for all expenses incurred by the Council in performing any such work authorized by the Council or the Managing Agent. In addition, each unit owner shall maintain all basement walls and floors surrounding his unit to prevent water leakage into the unit or adjoining units, and shall keep clean all interior and exterior windows and any appurtenant garage areas, storage areas and patio areas. Every unit owner and occupant shall reimburse the Council promptly on demand for all expenses incurred by the Council in repairing or replacing any loss or damage to the common elements, where caused by such owner or occupant or by their guests or members of their households, or incurred for cleaning or repairing appurtenant limited common elements. Each unit owner shall give prompt notice to the Council or Managing Agent of any loss or damage or other defect in the Condominium when discovered.

Section 3. Use of Condominium.

(a) Each unit of the Condominium shall be used solely for one-family residential purposes.

(b) All common elements of the Condominium shall be used solely for their respective purposes as designed.

(c) No unit owner or occupant shall place, store or maintain in the common elements any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements or permit said elements to be unsightly or disorderly.

(d) Every unit owner and occupant shall at all times keep his unit in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Council applicable to the Condominium.

(e) No unit owner or occupant shall make or suffer any waste or unlawful, improper or offensive use of his unit or the Condominium nor alter or remove any furniture, furnishings or equipment of the common elements.

(f) No unit owner or occupant shall erect or place in the Condominium any structure including fences, walls and patios (except as may be within the boundaries of a unit's private elements), nor make any additions or alterations to any common elements of the Condominium, except as may be permitted in the Master Deed and except in accordance with plans and specifications, including detailed plot plan, prepared by a licensed architect, if so required by the Council, unless approved by the Council,

which approval may be given with accompanying restrictions as to the unit owner's duties of maintenance, repair and replacement of such improvements and any common elements affected thereby.

(g) No signs, posters or bills may be placed or maintained in the Condominium unless approved by a majority of unit owners, except that an owner may place and maintain a "FOR SALE" sign in front of his building for a reasonable time, not to exceed 3 feet by 2 feet in size.

(h) No unit owner or occupant shall decorate or landscape any entrance or other planting area adjacent to his unit except in accordance with standards therefor established by the Council or specific plans approved in writing by the Council, which standards or approval may be given with accompanying restrictions as to the unit owner's duties of maintenance, repair and replacement of such decorating or landscaping and any common elements affected thereby.

(i) All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

(j) No garments, rugs or other objects shall be hung from windows or facades of the Condominium or in other areas within view of other occupants.

(k) No rugs or other objects shall be dusted or shaken from windows of the Condominium or cleaned by beating or sweeping on any exterior part of the Condominium.

(l) No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the Condominium except in the areas provided for such purpose.

(m) No livestock, poultry, rabbits, snakes or other such animals shall be allowed or kept in any part of the Condominium. Dogs, cats, small caged animals or small birds shall be allowed, subject to regulation by the Council, including regulation as to the number thereof.

(n) No unit owner or occupant shall, without the written approval of the Council, install any wiring for electrical or telephone installations, television antenna, machines or air conditioning units, awnings, exterior light fixtures or other equipment or appurtenances whatsoever on the exterior of the Condominium or protruding through the walls, windows or roof thereof, except as may have been installed in the original construction of a unit's private elements.

(o) Nothing shall be allowed, done or kept in any units or common elements of the Condominium which would cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereof maintained by or for the Council.

Section 4. Condominium Rules. The Council may adopt, amend or repeal any rules and regulations governing details of the operation and use of the Condominium not inconsistent with any provision of law, the Master Deed or these Bylaws.

Section 5. Expenses of Enforcement. Every unit owner shall pay to the Council promptly on demand all costs and expenses, including reasonable attorneys' fees, incurred by or on behalf of the Council in collecting any delinquent assessments against such unit, foreclosing its lien therefor or

enforcing any provisions of the Master Deed, these Bylaws or the Rules against such owner or any occupant of such unit.

BOOK 11394 PG. 236

Section 6. Record Ownership. Every unit owner shall promptly cause to be duly recorded the deed, assignment or other conveyance to him of such unit, or other evidence of his title thereto, and shall file a copy of same with the Council, and the Secretary shall maintain all such information in the record of ownership of the Council.

Section 7. Mortgages. Any unit owner who mortgages his unit, or any interest therein, shall notify the Council of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Council. The Council or Managing Agent at the request of prospective purchaser of any unit, or interest therein, shall report to such person the amount of any assessments against such unit then due and unpaid.

ARTICLE VI: Miscellaneous

Section 1. Amendment. These Bylaws may be amended in any respect not inconsistent with provisions of law or the Master Deed by vote of not less than 2/3 of the unit owners (as defined in the Master Deed) at any meeting of the Council duly called for such purpose.

Section 2. Interpretation. In case any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect.

Section 3. Enforcement. Violation of the provisions of the Master Deed, these Bylaws or any Condominium rules may be remedied in any court of law or equity having jurisdiction thereof by the Council or its managing agent or administrator, or any unit owner or owners entitled to relief, with the remedies available to such person or persons including damages, restraining order, injunction, accounting, lien enforcement and specific performance, or any combination thereof.

Section 4. Developer's Rights. During the period of control of the Regime by the Developer, the Developer shall have the right to enforce the provisions of the Master Deed, Bylaws, and Condominium Rules as set out immediately above and in Article V, Section 5, of these Bylaws.

Certificate of Adoption

The undersigned Developer and Owner of all units of the Condominium hereby adopts the foregoing as the Bylaws of The Craighead, A Council, Inc. on the 1st day of March, 1999.

RICHARD B. FRENCH

MAIL EM!

1801 03/23 0101 CZCHECK

99MAR 22 PM 1:53

0564139

DEED & REFERENCE