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This Instrument Prepared By:
Atwood and Moore
2650C MEMORIAL BOULEVARD
Murfreesboro Tennessee

MASTER DEED
ESTABLISHING THE
OAK GROVE TOWNHOMES

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MASTER DEED ESTABLISHING
OAK GROVE TOWNHOMES
A PLANNED UNIT DEVELOPMENT
AND A HORIZONTAL PROPERTY REGIME
(PRIVATE ELEMENT)

This Master Deed, made as of the 30 day of September, 2002 by Signature Development, Inc., a Tennessee Corporation, hereinafter referred to as "Declarant", for itself, its successors, grantees, beneficiaries and assigns,

WITNESSETH:

1. SUBMISSION TO PLANNED UNIT DEVELOPMENT OWNERSHIP.

a. The purpose of this Master Deed is to submit the land hereafter described in Exhibit A, and the improvements constructed thereon, to the planned unit development form of ownership and use, in the manner provided under the provisions of the Tennessee Code Annotated, Title 66, Chapter 27, Section 101, et seq., as amended, known as "The Horizontal Property Act".

b. The name by which this planned unit development is to be identified is "Oak Grove Townhomes", hereinafter called the "Townhomes".

c. The address of the Condominium is 2940 Baby Ruth Lane.

d. The land, which is hereby submitted to this form of ownership, is fully described in Exhibit A hereto, which, by reference, is made a part hereof as fully as if copied herein. The improvements located on such land include, but are not limited to, twenty nine (29) residential townhouse units, hereinafter referred to as the Units, stairs, sidewalks, paved parking areas, driveways, and landscaping improvements. This land as more particularly described in Exhibit A shall hereinafter be referred to as the "Land".

e. The description and identification of the Units are shown on the Survey of the Oak Grove Townhomes, hereinafter referred to as the "Plat", which Plat is attached hereto as Exhibit A-2 and which is further incorporated by reference herein.

2. DEFINITIONS.

The terms used herein and in the By-Laws, which are attached hereto as Exhibit B, shall have the meanings stated in the Horizontal Property Act, and as follows:

a. Assessment means a share of the funds required for the payment of expenses and charges which from time to time may be assessed against each Unit owner with respect to each Unit.

b. Association means Oak Grove Townhouse Owners Association, a Tennessee corporation, not for profit, being the entity responsible for the operation of the Planned Unit Development and its successors. Copies of the By-Laws and Charter of the Association are attached hereto, and made a part hereof as Exhibit B and C, respectively.

c. Board of Directors means the Board of Directors of the Oak Grove Townhouse Owners Association.

d. Building means the permanent structure in which the Units are located.

e. Common Elements – all portions of the Land and all improvements located thereon except for the Units and the Limited Common Elements as defined here and except or is specifically provided herein.

f. Common Expenses means the following:

i. Expenses of administration of the planned unit development;

ii. Expenses of maintenance, operation, repair, or replacement of the Common Elements and Limited Common Elements;

iii. Expense of Utility Services;

iv. Expenses declared Common Expenses by provisions of this Amended Master Deed or by the By-Laws; and

v. Any valid charge against the planned unit development as a whole.

g. Declarant means the Signature Developments, Inc., its successors, beneficiaries and assigns, provided such successors and assigns are designated in writing by Declarant as a successor or assignee of the rights of Declarant set forth herein, or to the rights of the venturers comprising the Declarant.

h. Limited Common Elements means a portion of the Common Elements allocated by this Master Deed for the exclusive use of one or more but fewer than all the Units. Limited Common Elements shall also include a 3 foot strip of land contiguous to each Unit as shown on the Plat.

i. The Land means the improved real property described on Exhibit A to this Master Deed.

j. Members shall include all Unit owners of record.

k. Planned Unit Development shall bee the entire project consisting of the Land and all improvements situated thereon as shown on the plat of record in Instrument Number_____, Register's Office for Davidson County, Tennessee, which has been created pursuant to T.C.A. 66-27-103.

l. Unit shall mean the fee simple estate within the Building, as such area is identified, located and described on the Plat and as hereinafter set forth.

i. The boundaries of each Unit shall be as follows:

i.a. The upper boundary shall be its highest ceiling,

i.b. The lower boundary shall be the upper unfinished surface of its floor (i.e. that surface directly beneath the carpeting, hardwood floors or other floor covering) plus the real property directly under the ground floor of such Unit.

i.c. The vertical boundaries (measuring the horizontal area of a Unit) shall be the perimeter walls.

ii. Notwithstanding the definition of the boundaries of a Unit contained in subparagraph (1) above, in order to more precisely define the boundaries of a Unit, the following shall govern in determining whether an item is part of the Unit, a Limited Common Element, or a portion of the Common Elements:

i.a. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, carpet, windows, exterior doors, finished flooring and any other materials constituting any part of the finished surfaces of the upper, lower and vertical boundaries, are part of the Unit, and all other portions of the walls, floors, or ceilings constituting part of such boundaries are a part of the Common Elements.

i.b. Any chute, flue, duct, wire, conduit, or any other fixtures lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.

i.c. Subject to the provisions of the immediately preceding subparagraph (ii), all spaces, interior partitions, and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

i.d. All air conditioning and heating equipment, patios, balconies, screens, storm doors, the storage closets, and all other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

m. Unit Owner means the person or persons holding title in fee simple to a Unit.

n. Utility Services shall include, but not be limited to, water, sewer, garbage collection, gas, and electricity required to operate the lights and other elements deemed to be Common Elements by this Amended Master Deed, and other utility services provided the Condominium as a whole.

o. Unit shall include the real property directly beneath the ground floor of the Unit that supports the Unit.

3. OWNERSHIP OF COMMON ELEMENTS AND COMMON EXPENSE LIABILITY.

a. Each Unit owner shall own a share in the Common Elements, and shall be liable for payment of the percentage of Common Expenses equal to the percentage of the undivided interest in the Common Elements appertaining to each Unit as set forth in Exhibit A-1 attached hereto and by reference incorporated herein; provided, however, that the Common Expenses incurred with respect to a Limited Common Element shall be paid by the owners of the Unit or Units to which such Limited Common Element was assigned at the time the expense was incurred as provided in Paragraph 7 of this Master Deed.

b. Any conveyance of an individual Unit shall be deemed to also convey the undivided interest of the Unit Owner in the Common Elements and Limited Common Elements appertaining to such Unit even if such conveyance does not specifically refer to such undivided interest.

4. MAINTENANCE AND ALTERATION OF UNITS.

a. The maintenance and repair of the Unit shall be the responsibility and expense of the Unit Owner, except as follows:

i. The Association at its own expense shall repair those portions of a Unit which sustain water damage, the primary cause of which is not the negligence of the occupants or Unit Owner of such Unit, nor the result of water leakage from the water heater or other appliance or fixture in such Unit.

ii. The Association at its own expense shall paint or otherwise maintain the exterior surface of the exterior doors at such intervals as determined appropriate by the Association

b. The Unit Owner shall not make any changes, decorations or alterations of this Unit that would affect the exterior appearance of any portion of the Building.

c. The Unit Owner shall promptly report in writing to the Association any defect or need for repairs, the responsibility of which is that of the Association

d. In replacing those portions of a Unit which affects the exterior appearance of any portion of the Building, the Unit Owner shall use components of the same color, grade and style as those originally in place, unless permission is otherwise obtained from the Association.

e. Neither a Unit Owner nor the Association shall make any alteration in the portions of a Unit or the Planned Unit Development which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Planned Unit Development, or impair any easement, without first obtaining approval in writing of the owners of all Units in which such work is to be done, and the written approval of the Board of Directors of the Association. A copy of plans for all of such work prepared by an architect, licensed to practice in this state, shall be filed with the Association prior to the start of the work, unless such requirement is waived in writing by the Directors of the Association. The time of performance of such work must be approved, in advance, by the Directors of the Association, or their agent.

f. If a Unit Owner fails to maintain and repair his Unit as required herein, the Association may perform such maintenance or repair and assess the Unit Owner for all expenses incurred, together with up to a twenty percent (20%) service charge for the Association's services.

g. The Declarant shall not be required to seek or obtain approval from the Board of Directors, any officer of the Association, or any owner to repair, alter, or change any Unit it owns in the Planned Unit Development.

5. MAINTENANCE AND ALTERATION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

a. The maintenance, operation and repair or the common Elements shall be the responsibility and the expense of the Association.

b. The maintenance, operation and repair of the Limited Common Elements shall be the responsibility of the Association, and shall be a Common Expense initially paid for by the Association but assessed back against the Unit Owners as provided for in Paragraph 7 of this Master Deed, except as follows:

i. Unit Owners shall have the responsibility and bear the expense of maintaining and repairing all air conditioning and heating equipment serving their Units, whether such equipment is located inside or outside their Unit's boundaries.

ii. Unit Owners shall have the responsibility and bear the expense of maintenance, repair and replacement of all screens and storm doors serving their Units.

iii. Unit Owners with balconies or patios shall maintain their balconies or patios in an orderly and clean condition. All structural repair or replacement of balconies or patios, including the wooden railings enclosing certain balconies, shall be the responsibility and expense of the Association.

iv. Unit Owners with storage closets shall maintain the interior of the storage closet in a clean and orderly fashion and shall have the responsibility and bear the expense of maintenance and repair of the interior of the storage closet, except that the exterior door of the storage closet shall be maintained and repaired by the Association. The maintenance of the exterior of the storage closet and the structural repair and replacement of the storage closet, including the exterior door, shall be the responsibility and expense of the Association.

v. Unit Owners shall mow and plant vegetation in the Limited Common Areas in a manner acceptable to the Association except that the Unit Owners may plant flowers and/or shrubs in the three foot area contiguous to his/her Unit in any fashion they desire as long as the flowers or shrubs do not exceed there feet in height and as long as the grass in said area is maintained and mowed in a substantially similar manner to the grass in the common areas of the Planned United Development. The Board of the Association may trim or remove any vegetation from the Limited Common Areas which does not conform to the standards set herein at the expense of the Unit Owner's benefiting from and using the portions of the Limited Common Area from which the vegetation is removed.

c. Unit Owners shall not make any changes, decorations or alterations to storage closets, balconies, patios or any other Limited Common Element allocated to their Unit which would affect the exterior appearance of any portion of the Building, without written approval from the Board of Directors.

d. If a Unit Owner fails to maintain and repair any Limited Common Element allocated to his Unit as required herein, the Association may perform such maintenance or repair and asses the Unit Owner for all expenses incurred, together with up to a twenty-percent (20%) service charge for the Association's services.

e. There shall be no alteration or further improvement of the Common Elements without prior approval in writing by the Board of Directors. The shares of any cost of such alteration or improvement shall be assessed to the Unit Owners in accordance with their interest in the Common Elements. There shall be no change in the shares and rights of a Unit Owner in the Common Elements which are altered or further improved.

f. The Declarant shall not need the approval of any owner of any other party to make changes and/or alterations to the Common Elements or Limited Common Elements until such time as it has sold all twenty nine (29) Units in the Condominium.

6. CHART OF IDENTIFICATION OF PLANNED UNIT DEVELOPMENT, COMPONENTS AND ALLOCATION OF MAINTENANCE RESPONSIBILITY AND EXPENSE.

The Chart of Identification of Condominium Components and Allocation of Maintenance Responsibility and Expense attached hereto as Exhibit A-3 provides for the following:

a. Identification of the components of Units, Limited Common Elements and Common Elements;

b. Allocation of maintenance responsibility for such components; and

c. Designation of the party responsible for the expense of maintenance of such components. The chart is merely illustrative and is not intended as an exclusive identification of condominium components or allocation of maintenance responsibility and expense. It does not affect other identifications or maintenance and expense allocations made by this Master Deed or the By-laws.

7. ASSESSMENTS.

a. Assessments against Unit Owners for Common Expenses shall be made pursuant to the By-Laws and shall be allocated as set forth in Paragraph 3 of this Master Deed. Any common expense associated with the maintenance, repair, or replacement of a Limited Common Element, however, shall be assessed in equal shares against the Units to which that Limited Common Element was assigned at the time the expense was incurred, except as otherwise provided in Paragraph 5 of this Master Deed.

b. Assessments, and installments thereon, paid on or before fifteen days after the date when due shall not bear interest, but all sums not paid on or before fifteen days after the date when due shall bear interest at the rate of fifteen percent per annum or at such other rate of interest determined by the Association not to exceed the maximum rate allowed under applicable laws and shall be subject to a

$15.00 late charge or such other late charge amount as may be adopted by the Association. All payments upon account shall be first applied to late charges, then interest and then to the assessment payment first due.

c. The Association shall have a lien for unpaid assessments as provided by the Horizontal Property Regime Act and this Master Deed. Such lien shall also secure reasonable attorney's fees and all costs of collection incurred by the Association incident to the collection of such assessment or enforcement of such lien.

d. In any foreclosure of a lien for assessments, the Unit Owner of the Unit subject to the lien shall be required to pay a reasonable rental for the Unit after foreclosure proceedings are commenced, and the Association shall be entitled to the appointment of a receiver to collect such rental.

e. The Unit Owner and his/her grantees shall be jointly and severally liable for all unpaid assessments due and payable at the time of a conveyance, but without prejudice to the rights of the grantees to recover from the grantor the amounts paid by the grantee for delinquent rights of the grantees to recover from the grantor the amounts paid by the grantee for delinquent assessments. Such liability may not be avoided by a waiver of the use of any Common Element or by the abandonment of the Unit. The Association shall have the right to sue for and collect any such unpaid as assessments, to foreclose upon the lien securing the assessments or to institute all delinquent payments, together with late charges, interest, and all costs of collection, including reasonable attorneys' fees.

f. A purchaser of a Unit at a foreclosure sale upon a first deed of trust shall be liable only for assessments coming due after such sale and for the portion of due assessments prorated for the period after the date of such sale.

g. In no event shall the Declarant pay, or be responsible for, the payment of assessments until the twenty nine (29) existing Units have been sold and title has been conveyed to purchasers by the Declarant. However, the Declarant reserves the right to contribute to the Association such funds as may be required to maintain the Common Elements and Limited Common Elements, to the extent that the assessments paid by other Unit Owners as insufficient to pay the cost thereof.

8. POWER OF SALE TO ENFORCE ASSESSMENT LIEN.

a. For and inconsideration of the privileges, protections, mutual enjoyment and use of the Common Elements and the Limited Common Elements, the assumption of the obligations of Unit Owners set forth in this Master Deed by Unit Owners, their successors and assigns, the receipt of which is hereby acknowledged, and to secure the payment of assessment for Common Expenses, and other assessments, assessed against a Unit Owner by the Association as provided in this Master Deed and By-Laws, interest, 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 Association on each and every Unit Owner's Unit and prorate interest in the Common Elements.

b. For the purpose of better and more effectively securing the Secured Charges, rendering unnecessary 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, hereby transfer and convey unto Mark S. Moore, hereinafter referred to as Trustee, his successors and assigns, their respective Units with the appurtenances, estate, title and interest thereto belonging upon the uses and trusts set forth in this Paragraph 8.

c. The Unit Owners (hereinafter also referred to as Trustors) agree (i) to pay the Secured Charges when sue, 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 and preservation; (iv) to comply with all of the terms and conditions of this Master Deed and By-Laws and all rules and regulations of the Association; and (v) to pay upon demand of Trustee or the Association, all the costs and expenses, together with reasonable attorneys' fees, of any court appearance or other proceedings required by Trustee, his successors or the Association to enforce any provision of this Master Deed and By-Laws or any rule and regulation of the Association. If any Trust fails to do any of these things, then Trustee or the Association 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.

d. 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 said 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 said Unit at the front door of the Court House in said County to the highest bidder for cash, at public outery, free from the equity of redemption, homestead, dower and all exemptions of every kind, which are hereby expressly waived; and the said Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchase. The Association may bid at any sale under this trust conveyance. The Association may, at any time after default in the payment of any of the Secured Charges, enter and take possession of said property, and shall only account of the net rents actually received by it. It is further agreed that, in the event the Association fails, before instructing Trustee to sell said 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 attorneys' 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 paid to the Unit Owner of such Unit, his order, representatives or assigns;

e. In the 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 Association 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.

9. EASEMENTS.

Easements are hereby granted as follows:

a. The following easements are granted to the Association for the following purposes;

i. Easements through or over the Units and any Limited Common Element allocated to any Unit for conduits, ducts, plumbing, wiring and other facilities for the furnishing or repair of utility service to Units, Limited Common Elements or Common Elements;

ii. Easements through or over the Units and any Limited Common Element allocated to any Unit for the purpose of maintaining or repairing any portion of the Common Elements, Limited Common Elements or any Unit. All incidental damage caused to a Unit by such maintenance or repair work shall be promptly repaired at the expense of the Association.

iii. Easements of support in every portion of a Unit which contributes to the support of the Building, including easements for access to and repair of such elements of support;

iv. Easements for encroachments of any portion of the Common Elements upon the boundary of any Unit whether caused by the settlement of the Building or by minor inaccuracies in the Plat of the Planned Unit Development as set forth in Exhibit A-2, or rebuilding of any part of the building, whether such encroachments now exist or hereafter may exist. All such easements shall continue until such encroachments shall cease to exist.

b. As an appurtenance to each Unit, easements are granted to the Unit Owners for encroachments by any portion of the boundaries of each Unit upon the Common Elements, whether caused by the settlement of the Building or by minor inaccuracies in the Plat of the Planned Unit Development as set forth in Exhibit A-2. or rebuilding of any part of the Building, whether such encroachments now exist or hereafter may exist. All such easements shall continue until such encroachments shall cease to exist.

c. Easements are reserved to Declarant, its agent and invitees to the extent necessary, as determined by Declarant, to enable Declarant to carry on any sale or leasing activity, as more specifically provided for in Paragraph 16 of this Master Deed.

10. ASSOCIATION.

The operation of the Planned Unit Development shall be conducted by the Oak Grove Townhouse Owners Association, herein called the Association, a corporation, not for profit, under the laws of Tennessee, which shall be organized and shall fulfill its functions pursuant to the following provisions:

a. A representative or representatives of the Declarant shall serve as the sole members of the Board of Directors of the Association until such time as all twenty nine (29) Units in the Planned Unit Development are sold.

b. After all Units have been sold by the Declarant, the Board Members of the Association shall be elected by the Unit Owners, and the Declarant shall resign its membership in the Association and on the Board of the Association.

c. The By-Laws of the Association shall be in the form attached as Exhibit "B".

d. The Association shall be incorporated under a Charter in the form attached as Exhibit "C".

e. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance to a Unit.

f. Whenever the decision of a Unit Owner is required under any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the Unit Owners or by his or her duly authorized and appointed proxy who would cast the vote of such Unit Owner if in an Association meeting, unless the joinder of the record owners of the Unit is specifically required by this Master Deed.

g. The unit owners shall be Members of the Association.

11. INSURANCE.

a. The Association shall maintain the following insurance coverage:

i. Multi-peril, all risk type, fire and extended coverage insurance covering the entire Condominium: all improvements upon the land, all additions and extensions attached thereto, all appliances, fixtures, machinery and equipment constituting a part of the Building, including, but not limited to air conditioning and heating equipment, all refrigerators, disposals, stoves, trash compactors, smoke detectors, sinks, countertops and cabinets, whether located within or outside the boundaries of individual Units and whether such appliances, fixtures, machinery and equipment are owned in common or owned by an individual Unit Owner (excluding all improvements and additions to Units made by Unit Owners after the creation of the Condominium and personal property contents of the Units) and all personal property included in the Common Elements and Limited Common Elements. The multi-peril, all risk type policy purchased by the Association shall provide insurance on a replacement cost basis in an amount not less than that necessary to comply with any co-insurance percentage stipulated in the policy. The face amount of such policy or policies shall not be less than one hundred percent (100%) of the insurable value (based upon replacement cost) of the property required to be covered by this paragraph. Such policy shall contain an agreed value endorsement. Such insurance coverage's may exclude foundation and excavation costs, but shall afford protection against loss or damage as is commonly covered by a multi-peril all risk type policy with fire and extended coverage endorsement, and such other risks as are customarily covered with respect to buildings similar to the Building. The multi-peril, all risk type insurance policy shall be purchase by the Association for the use and benefit of the individual Unit Owners and their mortgages. The Association shall issue certificates of insurance to each Unit Owner showing and describing the insurance coverage for the interest of each such Unit Owner, and shall develop procedures for the issuance, upon request, of a certified copy of the policy together with standard mortgagee endorsement clauses to the mortgages of Unit Owners. Such policy shall waive rights of subrogation as between Unit Owners. To the extent that such Unit Owners are covered by such multi-peril, all risk type insurance policies purchased by the Association, or themselves, they shall not be liable for damage caused by their acts, or negligent acts which cause damage to the Common Elements, Limited Common Elements, or any Unit.

ii. Public liability insurance shall be secured in such amounts, and with such coverage, as shall be determined by the Board of Directors of the Association but such policy or policies shall be in an amount not less than One Million Dollars ($1,000,000.00) per occurrence, including, but not limited to, hired automobile and non-owned automobile, with cross-liability endorsement to cover liabilities of the Unit Owners as a group to individual Unit Owners;

iii. Flood insurance, if available, and if the Condominium is determined by the U.S. Corp. of Engineers to be in a flood plain, in an appropriate amount at least equal to the lesser of (i)

the maximum coverage available now or hereafter under the National Flood Insurance Program for all buildings and other insurable property within any portion of the Planned Unit Development located within a designated flood hazard area; or (ii) 100% of current "replacement cost" of all such buildings and other insurable property.

iv. Workman's compensation as required by law.

v. Directors and officers liability insurance in an amount determined by the Board of Directors, but not less than $250,000.00 per occurrence and

vi. Such other insurance as the Association shall determine from time to time to be desirable and in the best interest of Unit Owners;

b. Any change which has the effect of decreasing the type or amount of insurance required under the terms of this Master Deed, or which lowers the rating required of an insurance carrier; shall require prior approval in writing of seventy-five percent (75%) of the votes of the Association.

c. All policies of insurance shall show the named insured, in form and substance, similar to the following:

"Oak Grove Townhouse Owners Association, for use and benefit of the individual Unit Owners". All policies shall contain, or have issued in connection therewith, a loss payable clause which shall provide that any proceeds due shall be paid to the Insurance Trustee, as hereinafter defined, subject to the provisions of this Master Deed for the use and benefit of the mortgages of individual Units, if any, and Unit Owners as their interests may appear. Such policies must provide for at least ten (10) days notice to the Association prior to the cancellation or substantial modification of the insurance coverage.

d. All hazard insurance policies shall be written by a hazard insurance carrier which has a financial rating by Best's Insurance Reports of B-V1 or better.

e. Premiums upon insurance policies purchased by the Association shall be paid by the Association and the costs thereof included in the Common Expenses.

f. The Association is hereby irrevocably appointed agent for each Unit owner to purchase insurance as described and set forth in (a), (i), (ii), (iii), (iv), (v) and (vi) above and to adjust all claims arising under insurance policies purchased by the Association with the consent of mortgagees holding liens on the affected property and with the consent of such mortgages to execute and deliver releases upon the payment of claims. However, all insurance drafts, notices, policies, invoices, and other necessary documents shall be delivered, after settlement, directly to the affected mortgagee.

12. RESPONSIBILITIES OF INSURANCE TRUSTEE.

a. All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to any bank in Tennessee which is selected by the Association as a Trustee, which bank is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums, for the renewal or the sufficiency of policies, or for the Failure to collect any insurance proceeds.

b. In the event any portion of a Unit or the Common Elements is taken through the exercise of a power of eminent domain or other action exercised by a governmental authority, the proceeds resulting from such action shall be paid to the Insurance Trustee.

c. The duty of the Insurance Trustee shall be to receive all insurance proceeds, and proceeds resulting from condemnation actions, and to hold such proceeds in trust for the benefit of the mrotgagees of individual Units, if any, and Unit Owners as their interests may appear. An undivided share of such proceeds on account of damage to, or taking of the Common Elements shall be allocated to the Unit Owners according to their ownership interest in the Common Elements as set forth in Paragraph 3. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the named mortgages and the Unit Owner as their interest may appear.

d. Expenses and fees of the Insurance Trustee shall be paid by the Association and costs thereof included in the Common Expenses.

e. Proceeds of insurance policies received by the insurance Trustee shall be distributed as follows:

i. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be expended as provided in Paragraph 14. Any proceeds remaining after payment of repair or reconstruction expenses shall be distributed to the beneficial owners, with remittances to Unit Owners and mortgagees of individual units being payable jointly to them. This is a covenant for the benefit of any mortgagee of an individual Unit and may be enforced by such mortgagee.

ii. If it is determined, as provided in Paragraph 13, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the mortgagees of individual Units; if any, and Unit Owners as their interests may appear. This is a covenant for the benefit of any mortgagee and may be enforced by such mortgagee.

f. Proceeds resulting from condemnation actions shall be distributed to the mortgagees of individual Units, if any, and Unit Owners as their interests may appear. This is a covenant for the benefit of any mortgagee and may be enforced by such mortgagee. In making distributions to Unit Owners and mortgagees, the Insurance Trustee shall rely upon a certificate executed (i) by the Association as to the names of the Unit Owners, and (ii) by each of the mortgagees as to their respective shares of the distribution.

13. WHEN DAMAGED PROPERTY IS TO BE RECONSTRUCTED OR REPAIRED.

a. If Common Elements are damaged, they shall be reconstructed or repaired, unless it is determined under Paragraph 23 that the Condominium shall be terminated.

b. If the damaged property is the Building, and if Units with more than one-third (1/3) of the Common Elements appurtenant thereto are found by the Board of Directors of the Association to be tenantable, the damaged property will not be reconstructed or repaired, unless within sixty (60) days after the casualty, it is determined under Paragraph 23 that the Condominium shall be terminated.

c. If the damaged property is the Building, and if Units with more than two-thirds (2/3) of the Common Elements appurtenant thereto are found by the Board of Directors of the Association not to be tenantable, the damaged property will not be reconstructed or repaired, and the Planned Unit Development will be terminated under Paragraph 23, unless, within sixty days after the casualty, the Owners of Units with three-fourths (3/4) of the Common Elements appurtenant thereto agree in writing to such reconstruction or repair.

d. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original buildings, or if not, then according to plans and specifications approved by sixty-seven percent (67%) of the total votes of the members of the Association.

14. RESPONSIBILITIES AND PROCEDURES AS TO PAYMENT FOR REPAIRS.

a. If damage occurs to those parts of a Unit or Limited Common Element that the Unit Owner has the responsibility of maintaining and repairing, then the Unit Owner shall be responsible for the prompt reconstruction and repair of such damage after the casualty. In all other instances, the Association shall have the responsibility of reconstruction and repair. In the event the Unit Owner fails to make such repairs or reconstruction promptly, the Association reserves the right to make such repairs and to assess the Unit Owner for all expenses, together with a service fee of up to twenty percent (20%) of such expenses for the Association's services.

b. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimated of the cost to rebuild or repair the damaged property to a condition as good as that existing immediately before the casualty.

c. If the proceeds of insurance are not sufficient to defray the estimated Costs of reconstruction and repair, the amount of the deficiency shall be assessed against the party who is responsible for the cost of maintenance and repair pursuant to the terms of this Amended Master Deed. (See Exhibit A-3 for allocation of maintenance expense.) Additional assessments may be made at any time during or following the completion of construction.

d. If the amount of the estimated costs or reconstruction and repair for which the Association is responsible is more than Thirty Thousand Dollars ($30,000.00) in excess of the amount of insurance proceeds available for such reconstruction or repair, the assessments paid to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

e. The proceeds from assessments and insurance received by the Insurance Trustee shall be disbursed as follows:

i. The portion of insurance proceeds for damage which is the responsibility of the Unit Owner to repair or reconstruct shall be paid by the Insurance Trustee to the Unit

Owner for such repair or reconstruction, or if there is a mortgagee endorsement, then to the Owner and the mortgagee jointly.

ii. The portion of insurance proceeds for damage which is the responsibility of the Association to repair or reconstruct shall be disbursed in payment of the costs of such repair and reconstruction in the manner required by the Board of Directors of the Association.

15. USE RESTRICTIONS.

The use of the Planned Unit Development shall be in accordance with the following provisions:

a. Each of the Units shall be occupied only by a family, individuals, or guests as a residence, and for no other purpose. No Units may be rented on a daily or weekly basis.

b. No Unit may be divided or subdivided into a smaller Unit, nor any portion thereof sold or otherwise transferred.

c. The Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.

d. No use or practice shall be permitted in the Planned Unit Development which is the source of annoyance to residents, or which interferes with the peaceful possession and proper use of the Planned Unit Development by its residents. All parts of the Planned Unit Development shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate, nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his Unit, or of the Common Elements, which will increase the rate of insurance upon the Planned Unit Development. No immoral, improper, offensive, or unlawful use shall be made of the Planned Unit Development or any part thereof. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification, or repair of the Planned Unit Development shall be the responsibility of the person or entity responsible for the maintenance and repair of the property concerned.

e. Reasonable rules and regulations concerning the use of the Planned Unit Development property may be made and amended from time to time by the Board of Directors in the manner provided by its Charter and By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Planned Unit Development upon request.

16. DECLARANT'S UNITS AND PRIVILEGES.

a. Declarant is irrevocably empowered, notwithstanding anything herein to the contrary, to sell, lease, or rent Units to any person approved by it. Declarant shall have the right to transact, on the Planned Unit Development property, any business deemed necessary by Declarant to consummate the sale, lease, or resale of Units, including, but not limited to, the right to post signs, to use the Common Elements and to show Unit. Signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Declarant.

b. As long as any Unit belonging to Declarant remains unsold, neither the Unit Owners, nor the Association, nor the use of the Planned Unit Development property, shall interfere with the sale of any Unit owned by the Declarant. The Declarant shall own such Unit under the same terms and conditions as other Unit Owners, save for the right to sell, rent or lease as contained in this paragraph, including the privilege to vote and the duty to pay assessments on the Unit so held.

c. The Declarant may waive in writing any power, duty, or office it may have pursuant to the Master Deed.

17. PROFESSIONAL MANAGEMENT.

The Association may enter into a contract for the management of the Planned Unit Development with a professional property management company approved by the Board of Directors. The management contract shall be for an initial term of one (1) year and may be canceled by either party upon ninety (90) days written notice.

18. NOTICE OF MORTGAGE LIEN OR SUIT.

a. A Unit Owner shall give notice to the Association of every lien upon his Unit other than for taxes and special assessments, within ten (10) days after the attaching of the lien.

b. Notice shall be given to the Association of every suit or other proceeding which may affect the title to a Unit within five (5) days after the Unit Owner receives knowledge thereof.

c. Failure to comply with this Paragraph 18 will not affect the validity of any mortgage instrument or the enforcement thereof at any public or judicial sale.

19. COMPLIANCE DEFAULT AND REMEDIES.

Each Unit Owner shall be governed by, and shall comply with, the terms of this Master Deed, the Charter, By-Laws, and Rules and Regulations adopted pursuant thereto, as any of the same may be amended from time to time. In addition to the remedies provided by the Horizontal Property Regime Act, a default by a Unit Owner shall entitle the Association, acting through the Board of Directors or through the Managing Agent, to the following relief:

a. Additional Liability. A Unit Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by this act, neglect, or carelessness, or by that of any member of his family, or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of a Unit, or its appurtenances.

b. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

c. No waiver of Rights. Failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Horizontal Property Regime Act, this Master Deed, the Charter, the By-Laws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter. All rights, remedies and privileges granted to the Association or any Unit Owner pursuant to the terms of the Horizontal Property Regime Act, this Master Deed, the By-Laws or Rules and Regulations of the Association shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising such other privileges as may be granted to such party by the Condominium Act, the condominium instruments above named, or at law or equity.

d. Abating and Enjoining Violations. The violation of any provisions of the Master Deed and the Bylaws, or any restriction, condition or regulation adopted by the Board of Directors, or the breach of any covenant or provision herein contained, shall give the Board of Directors or its Managing Agent the right, in addition to any other rights provided for in this Master Deed;

i. to enter (either peaceably or forcible) without liability to such Unit Owner for such entry) upon the Unit, or any portion of the Condominium upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board of Directors, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or

ii. to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach or

iii. to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the Land and to maintain an action for possession of such Unit in the manner provided by law.

iv. if a Unit Owner is in arrears of an assessment more than 90 days, will have there common utility services suspended until their account is paid in full.

e. Legal Proceedings, any violation of the provisions of the Horizontal Property Regime Act, this Master Deed, the By-Laws, or the Rules and Regulations adopted pursuant thereto, shall be grounds for relief including, but not limited to, an action for money damages, injunctive relief, specific performance, foreclosure of the lien for payment of all assessments, or sale of the Unit pursuant to subparagraph (f) hereof. All expenses of the Association incurred in connection with any such actions or proceedings, including courts costs, attorney's fees, all damages and interest thereon at the highest rate allowed by applicable law, shall be assessed against such defaulting Unit Owner and shall be deemed part of his respective share of the Common Expenses. The Association shall have a lien for all of the same upon the Unit and its appurtenant interests in the Common Elements, upon all of the Unit Owner's

additions and improvements thereto and upon all of this personal property in his Unit or located elsewhere on the land. Such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit. In the event of any such default by a Unit Owner, the Board of Directors and the Managing Agent, if so authorized by the Board of Directors, shall have the authority to correct such default, and to do whatever may be necessary for such purpose. All expenses incurred in connection therewith shall be charged to and assessed against such defaulting Unit Owner.

f. Judicial Sale. If any violation by a Unit Owner (or other occupant of Unit) continues or occurs repeatedly during any ten (10) day period after notice of such violation from the Board of Directors, the Board of Directors shall have the power to terminate such Unit Owner's rights as a Unit Owner. The Board of Directors shall issue a written notice to such defaulting Unit Owner terminating his right to continue to occupy, use or control his Unit. Thereafter, the Board of Directors shall file an action seeking a decree terminating such Unit Owner's right to occupy, use or control his Unit, and ordering that all right, title and interest of such defaulting Unit Owner in his Unit and in the Common Elements be sold at a judicial sale. The judicial sale shall be held upon such notice and terms as the Court shall determine, except that the court shall enjoin the defaulting Unit Owner from reacquiring his interest at the sale. Such judicial sale shall be subject to the lien of any existing deed of trust or mortgage. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, or any liens, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession. It shall be a condition of any such sale, and the decree all so provide, that the purchaser shall take the interest in such Unit and the Common Elements subject to this Master Deed. Nothing in this subparagraph (f) shall be construed to limit or abrogate any other right of the Association in the event of a default or violation by a Unit Owner as is otherwise provided herein. Nor shall the Association be obligated to pursue this remedy of judicial foreclosure.

g. Sale for Non-payment of Assessments. Notwithstanding any term or provision of this Paragraph 18, the Association shall obtain the written consent of majority of the votes of the Board of Directors prior to the Association's exercise of any of the remedies provided in this Paragraph 18 to terminate the rights of any Unit Owner to occupy, use or control the Unit owned by him, except that in the case of the sale of a Unit for non-payment of assessments no such consent shall be required.

20. LEASE AND TRANSFER OF A UNIT: NOTICE TO ASSOCIATION.

a. Notice of Transfer or Lease of Unit. Whenever a Unit Owner shall sell, lease, give or otherwise transfer his Unit, or any interest therein, such Unit Owner shall give the Association written notice within thirty (30) days (before or after closing) of the transfer, which notice shall briefly describe the transfer and shall state the name and address of the transferee or lessee. Also, the Unit Owner must provide the Association with a copy of the fully executed lease entered into with the Lessee of said unit.

b. Miscellaneous.

i. All notices referred to or required under this Paragraph 20 shall be given in writing to the management company, or the Board of Directors in the case of self-management.

ii. The Board may adopt rules and regulations, from time to time, not inconsistent with the provisions of this Paragraph 20, for the purpose of implementing and effectuating said provisions.

iii. If any transfer or lease of a Unit is made or attempted without complying with the provisions of this Paragraph 20, such transfer shall be subject to each and all of the rights and options of, and remedies and actions available to, the Association hereunder and otherwise.

21. ASSOCIATION'S RIGHT TO PURCHASE AT A FORECLOSURE SALE.

a. The Board shall have the power and authority to purchase, on behalf of the Association, any Unit, or interest therein, at a sale pursuant to this Master Deed, a mortgage foreclosure, a foreclosure of the lien for Common Expenses under the Horizontal Property Regime Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of Unit Owners owning not less than seventy-five percent (75%) of the total ownership of the Common Elements.

b. The Board of Directors shall have authority to make special assessments proportionately among the respective Unit Owners, and such other financing arrangements as the Board of Directors may deem desirable, in order to close and consummate the purchase of a Unit, by the Association. However, no such financing arrangement may be secured by an encumbrance on any interest in property other than the Unit to be purchased and such Unit's appurtenant interest in the Common Elements.

c. The Association shall hold or lease any Unit, pursuant to the terms hereof, in the name of the Association, or a nominee thereof delegated by the Board of Directors, for the benefit of all Unit Owners. The Board of Directors shall have authority at any time to sell, lease or sublease said Unit on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall a Unit be sold for less than the amount paid by the Association to purchase the Unit unless Unit Owners owning not less than seventy-five percent (75%) of the Common Elements first authorize the sale for such lesser amount.

22. AMENDMENTS.

This Master Deed may be amended in the following manner:

a. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the Association at which a proposed amendment is considered.

b. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Members of the Association. Directors and Members not present in person or by proxy at the meetings in which the amendment is considered may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Such approval must be by sixty-seven percent (67%) of the eligible votes of the Association. However, except as is otherwise provided in this section, the Declarant may amend this Master Deed without the consent of any Unit Owner until it has conveyed the twenty-nine (29) existing Units to third party purchasers.

c. Any amendment which would prohibit the leasing of Units shall require the approval of sixty-seven percent (67%) of the votes of the eligible membership of the Association, except that only amendments approved in writing by the Declarant may take place until Declarant has sold or otherwise conveyed the twenty-nine (29) existing units.

d. This power to amend may be used to correct clerical errors and make other clarifications and to adjust boundary lines where necessary for clarification or to reflect accurate surveys. This power to amend shall be completed by filing an amendment of record in the Register's Office of Davidson County, Tennessee.

e. The vote of the Members of the Association shall be necessary to approve a proposed amendment, as set forth in this Master Deed, unless a higher percentage vote is required elsewhere in this Master Deed, to approve any amendment which would materially effect or change:

i. the voting rights of Unit Owners;

ii. the method of assessment of common expenses or the priority of the lien of the Association for unpaid assessments;

iii. the requirement of a reserve fund for the repair or replacement of the Common Elements;

iv. the allocation of responsibility for maintenance or repair of the Common Elements or Units;

v. the percentage ownership interest in the Common Elements allocated to each Unit, or the rights of Unit Owners to use the Common Elements;

vi. the boundaries of a Unit;

vii. or which would convert a Unit, or portion of a Unit, to Common Elements, or vice versa;

viii. or which would add additional property to the Planned Unit Development, or withdraw a portion of existing property from the Planned Unit Development;

ix. the right of a Unit owner to lease, sell or transfer a Unit;

x. the method of determining when the Condominium will be reconstructed or repaired in the event of partial destruction, as set forth in paragraph 13 of this Master Deed;

xi. any provision of this Master Deed which expressly benefits any mortgagee, insurer guarantor.

f. No amendment shall discriminate against any Unit Owner, or against any

Unit or class or group of Units, unless the unit Owners so 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 such Unit Owner and all record owners of liens thereon, shall join in the execution of the amendment.

g. A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Register's Office of Davidson County, Tennessee.

23. TERMINATION.

The Planned Unit Development may be terminated as follows:

a. In the event it is determined under Paragraph 13(c) that the damaged property shall not be reconstructed because of substantial loss in accordance with T.C.A. S 66-27-118 as amended, the Condominium shall be terminated.

b. The Planned Unit Development may be terminated 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 T.C.A. 66-27-109.

c. The termination of the Planned Unit Development shall be evidenced by a deed in compliance with T.C.A. 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.

d. Any distribution of funds resulting from the termination of the Planned Unit Development shall be distributed through the Insurance Trustee to the Unit Owners according to their ownership interest in the Common Elements, as set forth in paragraph 3 of the Master Deed. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be paid to the Unit Owner and the mortgagee, as their interests may appear.

24. NON-LIABILITY OF THE DECLARANT, DIRECTORS AND OFFICERS OF THE ASSOCIATION.

The directors and officers of the Association shall not be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Declarant, director or officer, except for any acts or omissions found by a Court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each of the directors, officers, or Declarant, and their respective heirs, executors, administrators, successors and assigns, in accordance with the provisions of Paragraph 8 of the By-Laws.

25. SERVICE CONTRACTS.

Declarant shall assign and the Association shall assume certain service contracts designated by Declarant dealing with the maintenance and operation of the Planned Unit Development. These contracts may include, but not be limited to, lawn care, pool maintenance and garbage disposal.

26. SEVERABILITY.

The invalidity in whole or in part of any covenant or restriction, or any paragraph, subparagraph, sentence, clause, phrase, or word, or other provision of this Master Deed and the Charter, By-Laws, and Regulations or the Association shall not affect the validity of the remaining portions thereof.

SIGNATURE DEVELOPMENT, INC.

By: _____
Mike Parker, Secretary

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared, Mike Parker, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and how, upon oath acknowledged himself to be Secretary of Signature Development, Inc, the within named bargainor, a corporation, and who executed the foregoing instrument for the purposes therein contained by signing his name as Secretary of the corporation.

Witness my hand and official seal at Murfreesboro, Rutherford County, Tennessee, this the 20 day of September, 2002.

_____
Notary Public

My Commission Expires: 1-11-2003



EXHIBIT A
TO MASTER DEED OF THE OAK GROVE TOWNHOMES

LEGAL DESCRIPTION

PROPERTY DESCRIPTION:

WARRANTY DEED

Davidson County DEEDWARR
Recvd: 03/07/02 08:14 2pgs
Fees:13.00 Taxes:995.30

20020307-0028431

STATE OF TENNESSEE
COUNTY OF DAVIDSON
THE ACTUAL CONSIDERATION OR VALUE, WHICHEVER IS GREATER, FOR THIS TRANSFER IS $ 269,000.00
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME, THIS THE 25th DAY OF February 2002

Notary Public

MY COMMISSION EXPIRES: 1/11/03
(AFFIX SEAL)

THIS INSTRUMENT WAS PREPARED BY

Coomer and Jenkins, Suite 230, 392 Harding Place, Nashville, TN 37211

ADDRESS NEW OWNER(S) AS FOLLOWS:	SEND TAX BILLS TO:	MAP-PARCEL NUMBERS
Signature Development (NAME)	Signature Development (NAME)	MAP 163
2936 Baby Ruth Lane (ADDRESS)	213 Tenby Drive (ADDRESS)	PARCEL 139
Antioch, TN 37013 (CITY) (STATE) (ZIP)	Murfreesboro TN 37127 (CITY) (STATE) (ZIP)	

FOR AND CONSIDERATION OF THE SUM OF TEN DOLLARS, CASH IN HAND PAID BY THE HEREINAFTER NAMED GRANTEES, AND OTHER GOOD AND VALUABLE CONSIDERATIONS, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, WE, Michael G. Bollinger and wife, Shelia T. Bollinger

HEREINAFTER CALLED THE GRANTORS, HAVE BARGAINED AND SOLD, AND BY THESE PRESENTS DO TRANSFER AND CONVEY UNTO Signature Development, A TN General Partnership

HEREINAFTER CALLED THE GRANTEES, THEIR HEIRS AND ASSIGNS, A CERTAIN TRACT OR PARCEL OF LAND IN Davidson COUNTY, STATE OF TENNESSEE, DESCRIBED AS FOLLOWS, TO-WIT:

Land in Davidson County, Tennessee, according to a survey by Steven D. Delle RLS No. 1710, dated February 19, 2002, and more particularly described as follows:

Beginning at an iron rod situated in the easterly margin of Baby Ruth Lane, said point also being the southwest corner of the Timber Trace Townhouses of record in Instrument No. 20001122-0115447, R.O.D.C., TN; thence, leaving said road, South 88 deg. 24' 43" East, a distance of 228.93 feet to an iron rod; thence, South 09 deg. 26' 37" West, a distance of 159.33 feet to an iron rod; thence, South 02 deg. 21' 20" West, a distance of 231.72 feet to an iron rod; thence, North 71 deg. 04' 19" West, a distance of 209.95 feet to an iron rod situated in the easterly margin of Baby Ruth Lane; thence, along said road, along a curve to the right, having a central angle of 22 deg. 00' 33", a radius of 856.47, a tangent of 166.55 feet, a length of 329.00, and having a chord which bears North 00 deg. 57' 00" East, a distance of 326.98 feet to the point of beginning and containing 78,398.461 square feet or 1.800 acres of land more or less.

Being the same property conveyed to Michael G. Bollinger and wife, Shelia T. Bollinger by deed from Kevin V. Smith and wife, Mitzi R. Smith of record in Book 9771, page 68, Register's Office for Davidson County, TN.

Subject to Easement of record in Book 3843, page 727, Register's Office for Davidson County, Tennessee.

Taxes for the year 2002 are prorated and assumed by the Grantee(s) herein.

This is unimproved ( ) improved (X) property, known as 2936 Baby Ruth Lane, Antioch, TN 37013
(House Number) (Street) (P.O. Address) (City or Town) (Postal Zip)

TO HAVE AND TO HOLD the said tract or parcel of land, with the appurtenances, estate, title and interest thereto belonging to the said GRANTEES, their heirs and assigns forever; and we do covenant with the said GRANTEES that we are lawfully seized and possessed of said land in fee simple, have a good right to convey it and the same is unencumbered, unless otherwise herein set out; and we do further covenant and bind ourselves, our heirs and representatives, to warrant and forever defend the title to the said land to the said GRANTEES, their heirs and assigns, against the lawful claims of all persons whomsoever. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Witness our hand s this 25th day of February 2002

Michael G. Bollinger
Michael G. Bollinger

Shelia T. Bollinger
Shelia T. Bollinger

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, the within named Michael G. Bollinger and wife, Shelia T. Bollinger

the bargainor, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who acknowledged that they executed the within instrument for the purposes therein contained. Witness my hand and official seal at Nashville, Tennessee, this 25th day of February, 2002.

Commission expires 3-26-05

Notary Public

STATE OF TENNESSEE

COUNTY OF

Before me, _____ a Notary Public within and for the State and County aforesaid, personally appeared _____ and _____ with whom I am personally acquainted and who upon _____ oath(s) acknowledged _____ to be the _____ and _____ respectively of the _____ the within named bargainor, and corporation, and that _____ as such _____ and _____ being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing the name of the corporation, by the said _____ as such _____, and attesting the same by the said _____ as such _____.

Witness my hand and official seal at office at _____ on this the _____ day of _____, _____.

My commission expires _____

_____

Notary Public

Exhibit A

Land in the 28th Councilmanic District, Davidson County, Tennessee, described as follows:

Beginning at a point on the East Margin of Baby Ruth Lane, the same point being located South 71 degrees, 04 minutes, 19 seconds east, and 5.38 feet from the Southwest corner of the land of Michael and Sheila Bollinger, of record in Deed Book 9771, page 68, in the Register's Office of Davidson County, Tennessee, thence along the south line of said Bollinger land South 71 degrees, 04 minutes , 19 seconds East 204.57 feet; thence North 02 degrees, 21 minutes, 20 seconds East 231.72 feet; thence North 09 degrees, 26 minutes, 37 seconds East, 159.33 feet; thence South 88 degrees, 25 minutes, 38 seconds East, 26.38 feet; thence South 09 degrees, 25 minutes, 06 seconds West, 171.03 feet; thence South 02 degrees, 21 minutes, 20 seconds West 253.99 feet; thence North 71 degrees, 04 minutes, 19 seconds West, 228.10 to a point on the East margin of Baby Ruth Lane; thence with the margin of same, North 02 degrees, 52 minutes, 07 seconds West, 26.93 feet to the point of beginning, containing 0.3695 acres, or 15,938 square feet.

Being a part of the property shown on the plan of Timber Trace Townhouses a/k/a Timber Trace Townhomes Plan of record in Plat Book Instrument Number 20010104-0001310 in the Register's Office of Davidson County, Tennessee. Being also part of the same land conveyed to the Eckhardt Exchange Corporation, Trustee, of record in the following instruments:

2000040600334917

200004120036876

200004110036552

in the Register's Office for Davidson County, Tennessee.

EXHIBIT A-1
PERCENTAGE OF EACH UNITS UNDIVIDED OWNERSHIP
INTEREST IN COMMON ELEMENTS

UNIT NUMBER	PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS
1	3.44%
2	3.44%
3	3.44%
4	3.44%
5	3.44%
6	3.44%
7	3.44%
8	3.44%
9	3.44%
10	3.44%
11	3.44%
12	3.44%
13	3.44%
14	3.44%
15	3.44%
16	3.44%
17	3.44%
18	3.44%
19	3.44%
20	3.44%
21	3.44%
22	3.44%
23	3.44%
24	3.44%
25	3.44%
26	3.44%
27	3.44%
28	3.44%
29	3.44%
TOTAL	100.00%

Exhibit A-2

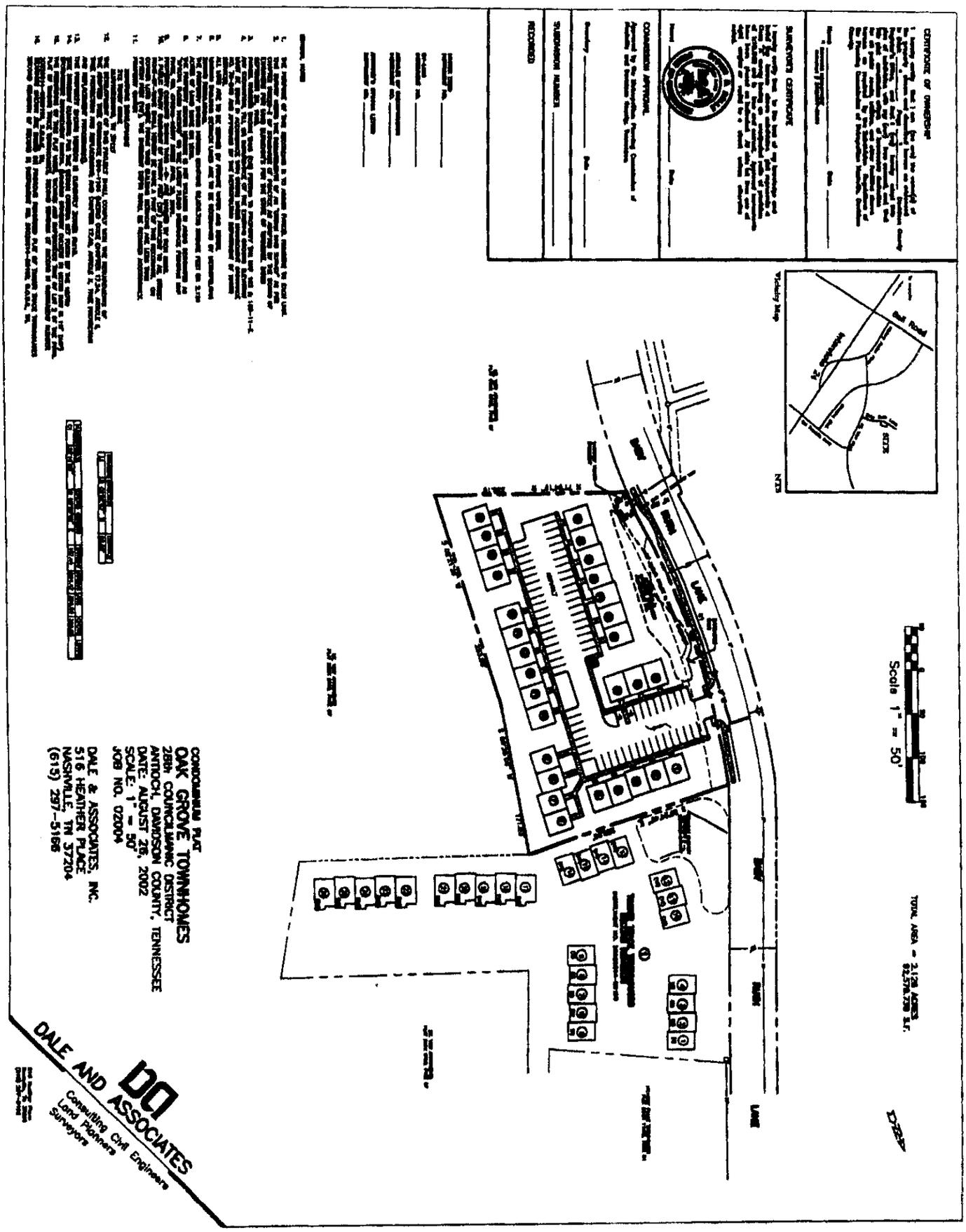

CONDOMINIUM PLAT
OAK GROVE TOWNHOMES
28th COUNCILMANIC DISTRICT
ANTIOCH, DAVIDSON COUNTY, TENNESSEE
DATE: AUGUST 28, 2002
SCALE: 1" = 50'
JOB NO. 02004
DALE & ASSOCIATES, INC.
516 HEATHER PLACE
NASHVILLE, TN 37204
(615) 297-5166
DALE AND ASSOCIATES
Consulting Civil Engineers
Land Planners
Surveyors
Scale 1" = 50'

EXHIBIT A-3 TO MASTER DEED OF OAK GROVE TOWNHOMES

COMPONENT IDENTIFICATION, MAINTENANCE & EXPENSE CHART

I. Identification

COMPONENTS OF UNIT

All components located within or constituting the boundaries of the unit including, but not limited to: wallboard; wallpaper, paint; all finished flooring; appliances; carpet; exterior doors, including sliding glass doors; windows; all pipes, ducts, electrical wiring and conduits located entirely within Unit and serving only such Unit and real property lying immediately beneath and supporting the Unit.

LIMITED COMMON ELEMENTS

Air conditioning and heating equipment; patios; balconies; storage closets; wooden railings enclosing balconies; screens; sliding screen doors; storm doors; those portions of any chute, flue, duct, wire, or conduit located partially within and partially outside Unit which serve only that Unit and three (3) feet of land contiguous to each Unit as shown on the Plat.

COMMON ELEMENTS

Land; parking area; (stairways; landscaping improvements all personal property held and maintained for the joint use and enjoyment of all Unit Owners; all leases of personality and service contracts assigned to the Association by Daclarant; those portions of any chute, flue, duct, wire, or conduit, located partially within and partially outside Unit which serve more than one Unit or any portion of Common Elements; load-bearing columns and loadbearing walls; all real property, improvements and facilities other than the Units and Limited Common Elements.

II. Assignment of Maintenance Responsibilities

UNIT

Responsibility of Unit Owner except: water damage to Unit, unless the primary cause of the damage is the negligence of the Owner or occupants of such Units or the result of water leakage from the water heater or other appliance or fixture in such Unit; painting or otherwise maintaining exterior surfaces of exterior doors.

LIMITED COMMON ELEMENTS

Responsibility of Association except; air conditioning and heating equipment; screens; screen doors; maintaining balconies in an orderly and clean condition; maintaining and repairing the interior of the storage closet, maintenance of three (3) feet of land directly contiguous to each unit as shown on the Plat, subject to the right of the Association to correct and remedy use violations in the Limited Common Area.

COMMON ELEMENTS

Completely the responsibility of Association.

III. Allocation of Maintenance Expense

UNIT

Expense of Unit Owner except: water damage, the primary cause of which is not the negligence of the Owner or occupants of such Unit, nor the result of water leakage from the water heater or other appliance or fixture in such Unit; painting or otherwise maintaining exterior surfaces or exterior doors.

LIMITED COMMON ELEMENTS

Charged to Unit Owners to whom Limited Common Elements is allocated, except structural repair of balcony or patio, repair and maintenance of the wooden railings enclosing the balconies and structural repair and replacement and maintenance of the exterior of the storage closets, all of which are Common Expenses of Association

COMMON ELEMENTS

Common Expense of Association.

NOTE: This chart is merely illustrative and not exhaustive. It is not intended to be an exclusive identification of components or allocation of maintenance responsibilities and expenses, and does not affect other identification, maintenance or expense allocations made by the Master Deed or By-Laws.

EXHIBIT B TO MASTER DEED OF
THE OAK GROVE TOWNHOMES

II. BY-LAWS OF THE Oak Grove Townhouse Owners Association

1. Identity
   a. Incorporation
   b. purpose

2. Members

3. Meetings of Members
   a. First Annual Meeting
   b. Special Meetings
   c. Notice of All Member's Meetings
   d. Aggregate 18 Votes-Votes Allocated by One Vote to each Unit According to Respective Percentage of Ownership Interest in Common Elements
   e. Voting
   f. Proxies
   g. Unit Owner Delinquent in Assessments not Entitled to Vote
   h. Majority Vote Required for Adoption of Decisions, Exceptions, Order of Business
   i. Order of Business

4. Directors
   a. Appointment of Initial Board of Directors; Advisory Board; Compensation
   b. Election of Board of Directors, Number, Term of Office
   c. Vacancies in Board of Directors
   d. Removal of Director
   e. Filing Vacancies

5. Director's Meetings
   a. Organizational Meeting
   b. Regular Meetings
   c. Special Meetings
   d. Waiver of Notice of Meeting
   e. Quorum at Directors' Meeting
   f. Presiding Officer
   g. Order of Business
   h. Adoption of Resolution
   i. Minutes and Records

6. Powers and Duties of the Board of Directors
   a. General
      i. Election and Removal of Officers of the Association
      ii. Administration of Affairs of Association and Condominium Property
      iii. Engage Services of Managing Agent
      iv. Formulate Policies
      v. Adopt and Amend Rules and Regulations Affecting Condominium Property and Common Elements
      vi. Provide for Repair and Maintenance of Common Elements, Approve Payment Vouchers
      vii. Oversee and Delegate Hiring and Removal of Employees and Other Relevant Personnel
      viii. Appoint and Delegate Authority to Committees
      ix. Determine and Revise Fiscal Year
      x. Prepare Estimated Annual Budget, Supervise Assessments and Collections

xi. Enter Lease Agreements for Guest or Custodial Units
xii. Borrower Money for Repair and Restoration of Common Elements
xiii. Secure Insurance Polities Review for Coverage
xiv. Maintain or Defend Any Court Action
xv. Comply with Majority of Unit Owners
xvi. Exercise Other Powers and Duties of Unit Owners
xvii. Grant Permits, Licenses and Easements for Utilities
xviii. Hire Consultant to Review Real Property Tax Assessments

b. Board or Directors Act for the Association
c. Power or Duties Delegated to the Unit Owners by Law Cannon Be Granted to the Board of Directors, Association or Officers

7. Officers
a. Executive Officers
b. Powers and Duties of President
c. Powers and Duties of Vice President
d. Duties of Secretary
e. Duties of Treasurer

8. Indemnification
a. Directors and Officers, Committee Members, Board of Directors and Declarant
b. Extent of Indemnification
c. Payment of Legal Expenses
d. Power to Raise Funds RE: Indemnification

9. Assessments
a. Date of Assessment
b. Acceleration of Assessment upon Default
c. Supplemental Assessments
d. Deposits and Withdrawals of Association Monies
e. Annual Audit of Accounts
f. Fidelity Bonds Required by Board of Directors
g. Reports of Receipts and Disbursements Affective Common Elements
h. State of Account

10. Rules and Regulations

11. Amendments
a. Notice of Proposed Amendment
b. Presentation of Proposed Amendment
c. Restrictions on Amendments
d. Certification of Amendments

12. Parliamentary Rules

13. Definition of Terms

14. Compliance with Statute

BY-LAWS FOR THE OAK GROVE TOWNHOUSE OWNERS ASSOCIATION

1. Identity.

a. These are the By-Laws of Oak Grove Townhomes, herein called the "Planned Unit Development", and Oak Grove Townhouse Owners Association herein called the "Association", a corporation not for profit, incorporated under the laws of the State of Tennessee, the Charter of which was filed in the Office of the Register of Davidson County, Tennessee.

b. The Association has been organized for the purpose of administering the Planned Unit Development established by a Master Deed of record in Instrument _____, Register's Office of Davidson County, Tennessee, herein called the "Master Deed," pursuant to Title 66, Chapter 27, Section 101, et seq., as amended, Tennessee Code Annotated, herein called the "Horizontal Property Regime Act", which Planned Unit Development is identified by the name of Oak Grove Townhomes and is located at 2940 Baby Ruth Lane.

2. Members.

The Unit Owners, including the Declarant shall be the initial members of the Association. After all twenty-nine (29) units are sold, the Declarant shall resign as member and the members of this Association shall become the remaining Unit Owners in the Oak Grove Townhomes.

3. Meetings of Members.

a. The Members of the Association shall have an annual meeting. The annual meeting of Members shall be held on a date as scheduled by the Board of Directors.

b. Special meetings of members shall be held called by the President, Vice-President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from Members entitled to cast not less than one-third (1/3) of the votes of the entire membership.

c. Notice of all Member's meetings, stating the time and place, and the objects for which the meeting is called, shall be given by the President, Vice-President or Secretary, unless waived in writing.

d. The aggregate number of votes for all Unit owners shall be eighteen (18) and one (1) vote shall be allocated to each Unit. The Declarant will have one (1) vote for each unit it owns.

e. If a Unit is owned by one (1) person, his right to vote shall be established by the record title to his Unit. If a Unit is owned by more than one (1) person, or is under lease, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate of appointment signed by the President or Vice-President, of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked, or until superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote of a Unit may be revoked by any Unit Owner at any time.

If no certificate is presented to the Secretary and a Unit is owned by two (2) or more individuals, any record owner present at, a meeting of the Association may cast the vote of the Unit. If more than one (1) record owner of a Unit is present at a meeting, only one such owner may cast the vote of the Unit. If the record owners of a Unit cannon unanimously agree as to who may cast the vote of the Unit, the vote of the Unit shall not be counted.

f. Votes may be case in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary before the appointed time of the meeting.

g. Any Unit Owner who is delinquent for more than sixty (60) days in the payment of any assessment owing for his Unit as determined by the books of the Association as of the date of a meeting, shall not be entitled to vote at such meeting.

h. The presence of individual Unit Owners entitled to cast a majority of the votes of the Association is required at members' meetings to adopt decisions, except where approval by a greater number of members is required by the Master Deed, Charter, or these By-Laws.

i. The order of business at annual members' meetings, and as far as practical; at all other members' meetings, shall be:

i. election of a chairman of the meeting, if the President is unavailable to preside;

ii. calling of the roll and certifying the proxies;
iii. proof of notice of meeting or waiver of notice;
iv. reading and disposal of any unapproved minutes;
v. reports of officers;
vi. reports of committees;
vii. election of the Board member;
viii. unfinished business;
ix. new business, and
x. adjournent.

4. Directors.

a. The affairs of the Association shall be managed by a Board of Directors. The Board of Directors shall consist of three (3) persons, all of whom shall be persons appointed by the Declarant until such time as all twenty-nine (29) units have been sold or conveyed to third parties. After the sale or conveyance, of all twenty-nine (29) units, the Board of Directors shall be comprised of persons, all of whom shall be Unit Owners current in their assessment fees. In the event any Unit is owner by a partnership, corporation, or fiduciary, such person shall be a partner, officer of the corporation, or the Fiduciary or officer of the Fiduciary, as the case may be. The Board of Directors shall serve without compensation. Thereafter, the compensation, if any, of the Directors shall be as fixed by the vote of a majority of the Unit Owners.

b. Three persons shall be elected to serve as the Board of Directors, and the term of office of those elected shall be as follows: the term of office of the one person shall be fixed at three (3) years; the term of office of the one person shall be fixed at two (2) year; and the term of office of one person shall be fixed at one (1) year. The election shall be by a plurality of the votes case, each member voting must cast his vote (or votes) for as many nominees as there are vacancies to be filed, but there shall be no cumulative voting.

c. Vacancies in the Board of Directors occurring between annual meetings of members shall be filed by the remaining Directors until the next annual meeting at which time a Directors shall be elected to fill the remaining term of any such vacancy, except as provided in paragraph a hereinabove.

e. Any Director may be removed by concurrence of sixty and two-thirds percent (60 2/3%) of the votes of the Board at a Board meeting called for the purpose, except that in the event the Declarant, or its designees serves as Directors, neither Declarant nor such designees may be removed or voted from the Board until such time as the Declarant has sold all twenty-nine (29) Units in the Planned Unit Development.

5. Director's meetings.

a. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of its election at such place and time as shall be Fixed by the Directors at the meeting of which they were elected, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present.

b. 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 Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day named for such meeting.

c. Special meetings of the Directors may be called by the President. Notice of the meeting shall be given at least three (3) days prior to the day named. Notice shall state the time, place, and purpose of the meeting.

d. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

e. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Master Deed, Charter, or these By-Laws. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting-any business which might have been transacted at the

meeting originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

f. The presiding officer of Directors' meeting shall be the President. In the absence of the President, the Directors present shall designate one of their number to preside.

g. The order of business at a Directors' meeting shall be:

i. calling of roll
ii. proof of due notice meeting;
iii. reading and disposal of any unapproved minutes;
iv. reports of officers and committees;
v. election of officers (if necessary)
vi. unfinished business;
vii. new business; and
viii. adjournment.

h. The Directors may adopt any resolution by an instrument in writing, signed by all of the then qualified and action Directors, provided there then be at least three (3) in number, and any such resolution, when so executed, shall have the force and validity of a resolution adopted at any regular or special meeting.

i. All minutes and records of actions of the Directors, and all records pertaining to operations of the Association, shall be kept at the management office or at such place as may be designated by the Board of Directors, and shall be available to members for inspection at all times during normal business hours.

6. Powers and Duties of the Board of Directors.

a. All of the powers and duties of the Association existing under the Horizontal Property Regime Act, the Master Deed, the Charter, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by Unit Owners when such is specifically required. Compensation of employees of the Association shall be fixed by the Directors. A Director may be an employee of the Association, and a contract for management of the condominium may be entered into with a Director. The Board of Directors is specifically charged with the responsibility of providing for the care and upkeep of all Common Elements and Limited Common Elements of the Planned Unit Development pursuant to the provisions of the Master Deed. Specifically included in the foregoing general powers of the Board of Directors are the following powers and duties, which are listed by way of enumeration and not by limitation.

i. To elect and remove the officers of the Association
ii. To administer the affairs of the Association and the Condominium property;
iii. To designate and/or remove, subject to the terms and conditions of paragraph 17 of the Master Deed relating to the professional management of the Planned Unit Development, the services of an agent, hereinafter sometimes called the "Managing Agent", to maintain, repair, replace, administer and operate the Planned Unit Development or any part thereof for all the Unit Owners upon such terms and for such compensation and authority as the Board of Directors may approve.
iv. To formulate policies for the administration, management and operation of the Planned Unit Development and the Common Elements;
v. To adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Planned Unit Development property and the Common Elements, and to amend such rules and regulations from time to time;
vi. To provide for the maintenance, repair, and replacement of the Common Elements and Limited Common Elements as required by the Master Deed, to make payments therefore, and to approve payment vouchers or to delegate such approval to the officers or Managing Agent;
vii. To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Planned Unit Development property and the Common Elements, and to delegate any such powers to the Managing Agent or any employees of the Managing Agent);
viii. To appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board of Directors;

ix. To determine the Fiscal year of the Association and to change said fiscal year from time to time as the Board of Directors deems advisable;

x. To fix the estimated annual budgets, and to provide the manner of assessing and collecting from Unit Owners the respective shares of such estimated expenses, as hereinafter provided;

xi. To enter into any lease agreement for lease for lease of premises suitable for use as guest or custodian apartments, upon such terms as the Board of Directors may approve;

xii. To borrow money for the purpose of repair or restoration of Common Elements without the approval of the members of the Association

xiii. To secure insurance policies as required by the Master Deed and in this regard, annually to review the amounts of coverage afforded by such policy or policies;

xiv. To maintain or defend any action in any court or other proceeding on behalf of the Unit Owners which arises in connection with the Common Elements, including but not limited to condemnation or eminent domain actions;

xv. Unless otherwise provided herein or in the Master Deed, to comply with the instructions of a majority of Unit Owners as expressed in resolutions duly adopted at any annual or special meeting of Unit Owners;

xvi. To exercise all other powers and duties of Unit Owners as a group referred to in the Condominium Act, in the Master Deed or these By-Laws.

xvii. To grant permits, licenses and easements over the Common Elements for utilities, roads, and other purposes reasonable necessary or useful for the proper maintenance or operation of the Condominium.

b. Specifically, whenever in these By-Laws or in the Master Deed the Association is given the power to take any action, it is the intention of such instruments that the Board of Directors shall act for the Association in all cases, except to the extent that it is expressly provided that action may be taken upon vote of the Unit Owners.

c. Nothing in these By-Laws shall be considered to grant to the Board of Directors, the Association, or to the officers of the Association, any powers or duties which, by law, have been delegated to the Unit Owners.

7. Officers.

a. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director and a Secretary-Treasurer who shall also be a Director, all of whom shall be elected annually by the Board of Directors and who may be removed by vote of the Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also by the Secretary-Treasurer. The Board of Directors may from time to time elect other officers to exercise such powers and duties as the Board shall find to be required to manage the affairs of the Association. Compensation, if any, of officers shall be fixed by the Board of Directors.

b. The President shall be the Chief Executive Officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may, in his discretion, determined appropriate, to assist in the conduct of affairs of the Association.

c. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

d. The Secretary-Treasurer shall keep the minutes of all proceedings of the Directors and the members. He/She shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He/She shall keep the records of the Association and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President.

e. In the event the Declarant or its designee serves as any Officer of the Association, neither the Declarant nor its designee may be removed from office until Declarant has sold all twenty-nine (29) Units in the Planned Unit Development.

8. Indemnification.

a. To the extent not covered by insurance, the Association shall indemnify and hold harmless each of its directors and officers, each member of any committee appointed pursuant to the By-Laws of the Association, the Board of Directors and the Declarant, against all contractual and other

liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, committee members or Declarant, on behalf of the Unit Owners, or arising out of their status as directors, Board, officers, committee members or Declarant, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement: reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative other, in which any such director, officer, Board, committee member or Declarant may be involved by virtue of such persons being or having been such director, officer, Board, committee member, or Declarant provided, however, that such indemnity shall not be operative with respect to:

i. any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such direction, officer, Board, committee member, or Declarant, or

ii. Any matter settled or compromised, unless the Board determines there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties as such director, officer, Board, committee member, or Declarant.

b. To the extent that the Declarant or a member of the Board of Directors of an officer of the Association or a member of any committee appointed pursuant to the By-Laws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subparagraph (a) or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

c. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Paragraph 8.

d. The Association and the Board shall have the power to raise and responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Paragraph, provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the directors, Board, officers, members of such committees, or Declarant, or out of the aforesaid indemnity in favor of the Directors, Board, Officers, Members of such committees, or Declarant shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements, bears to the total percentage interest of all the Unit Owners in the Common Elements. Every agreement made by the directors, Board, Officers, Members of such committee Declarant or by the Managing Agent on behalf of the Unit owners shall provide that the Directors, Board, Officers, Members of such committees, Declarant of the Managing Agent, as the case may be, are acting only as agents for the Unit Owner and shall have no personal liability thereunder (except as Unit Owners), and the each Uint Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements. The indemnification provided by this Paragraph 8 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be Declarant or a member of the Board of Directors, officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

9. ASSESSMENTS.

a. An annual assessment shall be made every twelfth (12^{th}) month or as otherwise determined by the Board, and shall be payable in twelve (12) equal payments due on the first day of each month of the year for which the assessment is made. The Board shall provide the Unit Owners with a copy of the proposed Association budget at least twenty (20) days prior to the adoption of such budget. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the same amount as the immediately preceding annual assessment.

b. If a Unit Owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to the Unit Owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the Unit Owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

c. In the event that during the course of any year it shall appear to the Board of Directors that the annual assessment, payable monthly, determined as aforesaid, is insufficient or inadequate to cover the estimated Common Expenses for the remainder for such year, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget, and such supplemental assessment shall be paid in a time and manner directed by the Board of Directors.

d. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Directors. The Directors may contract with a Managing Agent to provide that the Managing Agent shall collect assessments from Unit Owners and other moneys of the Association and disburse Association Funds pursuant to the terms of such contract; provided, however, all employees of the Managing Agent handling or responsible for Association funds must be covered by fidelity bones as set forth below in subparagraph (9). The signatures of two officers of the Association or in the event a Managing Agent is employed, the signatures of at least one Board member and one management employee specified in the contract, shall be required to sign any check in excess of $10,000.00. All reserve funds of the Association shall be kept in a separate bank account and all checks written on such account shall be signed by at least two officers of the Board or the Managing Agent. If there is no Managing Agent, the signatures of two officers shall be sufficient.

e. Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least one-fourth (1/4) of the amount of the total annual assessments against members for Common Expenses plus the amount of the reserve account. The premiums on such bonds shall be paid by the Association. The Managing Agent shall be required to provide satisfactory evidence that all employees handling Association funds are protected by a bond naming the Association as the insured.

f. The Board of Directors shall cause to be kept detailed and accurate records in chronological order of its receipts and expenditures affecting the Common Elements, specifying and itemizing the Common Expenses incurred. Payment vouchers may be approved in such manner as the Board of Directors may determine.

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

h. No assessments whatsoever shall be paid by the Declarant.

10. Rules and Regulations.

The Directors are expressly empowered to adopt and promulgate, from time to time, reasonable rules and regulations governing the use of the Units and the common areas, including the imposition of penalties for violation thereof. All such rules and regulations shall be binding rules and regulations of the Association unless rejected by a resolution adopted at a meeting of the members or by a writing signed by members representing at least sixty percent (60%) of the votes of the Association. The Directors shall give written notice to all members of the adoption of any new rules and regulations or of the amendment of any existing rule or regulation.

11. Amendments.

These By-Laws may be amended in the following manner:

a. 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.

b. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings to consider the amendment may express their approval in writing, providing such approval is delivered to a Board member or management agent prior to the meeting. Such approvals must be by sixty-seven percent (67%) of the votes of the eligible voting membership of the Association.

c. No amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Unit Owners so affected shall consent. No amendment shall change any Unit, nor the share in the Common Elements appurtenant to it, nor increase the Unit Owner's share of the Common Expenses, nor the method of assessment for Common Expenses, nor change the voting rights of members, unless the record owner of the Unit concerned and all record owners of liens thereon shall join in the execution of the amendment giving their written approval.

d. A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective upon recording in the Register's Office for Davidson County, Tennessee.

e. The Bylaws may not be amended until the Declarant has sold or otherwise conveyed all twenty-nine (29) Units to third party purchasers.

12, Parliamentary Rules.

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meeting when not in conflict with the Master Deed, the Charter of these By-Laws.

13. Definition of Terms.

The terms used in these By-Laws, to the extent they are defined therein, shall have the same definition as set forth in the Master Deed. The term "member" as used in these By-Laws, means "Unit Owner, as defined in the Master Deed.

14. The Declarant may waive in writing any power, duty, or position it may have pursuant to these By-Laws.

15. Compliance with Statute.

These By-Laws are set forth to comply with the requirements of the Condominium Act of Tennessee, Chapter 27 of Title 66, Tennessee Code Annotated, as it may be amended from time to time. In case any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

The foregoing By-Laws are hereby adopted as the By-Laws of the Oak Grove Townhouse Owners Association by the undersigned as of September 30, 2002.

OAK GROVE TOWNHOUSE OWNERS ASSOCIATION

By: _____
Mike Parker, Secretary

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Mike Parker, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath acknowledged himself to be Secretary-Treasurer of the Oak Grove Townhouse Owners Association, the within named bargainor, a corporation, and who executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Secretary-Treasurer of the Corporation.

Witness my hand and official seal at Murfreesboro, Rutherford County, Tennessee, this 30 day of September, 2002.

NOTARY PUBLIC

My Commission Expires: 1-11-2003

CHARTER
OF
OAK GROVE TOWNHOMES OWNERS ASSOCIATION

The undersigned natural person, having capacity to contract, and acting as the incorporator of a corporation under the Tennessee General Corporation Act, adopts the following Charter for such Corporation:

1. The name of the Corporation is OAK GROVE TOWNHOMES OWNERS ASSOCIATION, hereinafter referred to as the "Association."

2. The duration of the Association is perpetual.

3. The address of the principal office of the Association in the State of Tennessee shall be 213 Tenby Drive, Murfreesboro, TN 37127. The mailing address of the principal office of the Corporation shall be Signature Development, Inc., 213 Tenby Drive, Murfreesboro, TN 37127 or at such other address as the Association may designate from time to time.

4. The Association is not for profit and shall be a mutual benefit corporation.

5. The purpose for which the Association is organized is to provide a townhomes corporation, pursuant to Title 66, Chapter 27, Section 101 et seq. as amended, of Tennessee Code Annotated, which may hereinafter be referred to as the "Horizontal Property Regime Act", for the operation of Oak Grove Townhomes, hereinafter referred to as the "Planned Unit Development", located upon the tract of land located in Antioch, TN 37013.

6. This Association is to have members.

7. The Association shall make no distributions of income to its members, directors, or officers; provided, however, this provision shall not preclude the payment of reasonable sums for services rendered or supplies furnished to the Association by the aforesaid persons.

8. The Association shall have all of the common law and statutory powers of a corporation not for profit, which are not in conflict with the terms of this Charter.

a. The registered agent for service of process for the Corporation shall be Brian Burns, 213 Tenby Drive, Murfreesboro, TN 37127.

b. Distribution of Corporate assets upon dissolution of the Corporation shall occur as follows:

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) (3) of the Internal Revenue Code, or corresponding or similar section of any further tax code, or shall be distributed to the federal government, or to any state or local government, for a public purpose.

Any such assets not disposed of shall be disposed of by the Circuit Court of Rutherford County, Tennessee. Exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

9. The Association shall have all of the powers and duties of a condominium homeowners association as set forth in the Horizontal Property Regime Act, and all of the powers and duties reasonably necessary to operate the Planned Unit Development as set-forth in The Master Deed establishing the Planned Unit Development to be recorded in the Register's Office for Davidson County, Tennessee, hereinafter referred to as the "Master Deed," and as it may be amended from time to time, including, but not limited to, the following:

a. To make and collect assessments against members to defray the costs, expenses, and losses of the Planned Unit Development;

b. To use the proceeds of assessments in the exercise of its powers and duties, in accord with the Master Deed and the By-Laws of this Association, hereinafter referred to as "By-Laws"

c. To maintain, repair, replace, and operate the Planned Unit Development property;

d. To purchase insurance upon the Planned Unit Development property and insurance for the protection of the Association and its members:

e. To reconstruct improvements after casualty and to further improve the property:

f. To make and amend reasonable regulations respecting the use of the property in the Planned Unit Development;

g. To enforce, by legal means, the provisions of the Horizontal Property Regime Act, Master Deed, this Charter, the By-Laws and the regulations for the use of the Planned Unit Development property;

h. To contract for the professional management of the Planned Unit Development; and

i. To employ personnel to perform the services required for proper operation of the Planned Unit Development.

10. All funds, and titles of all properties acquired by the Association, and the proceeds thereof, shall be held in trust for the members, or used to pay Common Expenses in accordance with the provisions of the Master Deed, this Charter, and the By-Laws.

11. The power of the Association shall be subject to, and shall be exercised in accordance with, the provisions of the Master Deed and the By-Laws.

12. The Members of the Association shall consist of all of the Unit Owners in the Planned Unit Development, in accordance with the By-Laws.

13. Change of membership in the Association shall be consummated by the transfer of title to a Unit.

14. The share of a member in the funds and assets of the Association cannon be assigned, hypothecated, or transferred in any manner, except as an appurtenance to a Member's Unit.

15. The aggregate number of votes for all members of the Association shall be eighteen (18), and one (1) vote shall be allocated to each Unit. The procedures to be followed by multiple or corporate owners of a Unit and the manner of exercising voting rights shall be determined by the By-Laws.

16. The affairs of the Association shall be managed by a board consisting of the number of directors as shall be determined by the By-Laws, but not less than three directors, and, in the absence such determination shall consist of three directors.

17. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed, and vacancies on the Board of Directors shall be filled, in the manner provided by the By-Laws.

18. The affairs of the Association shall be administered by officers elected by the Board of Directors in accordance with the By-Laws. The officers shall serve at the pleasure of the Board of Directors.

19. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by, or imposed upon him, in connection with any proceeding to which he may be a part or in which he may become involved, by reason of his being, or having been, a director or officer of the Association, or become involved, by reason of his being, or having been, a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time expenses are incurred, except in such cases wherein the director officer is adjudged guilty of willful misfeasance or malfeasance the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification be in addition to, and not exclusive of, all other rights to which such director or officer may be entitled.

20. The By-laws have been adopted by the "Declarant" of the Planned Unit Development.

21. Amendments to the Charter shall be proposed and adopted in the following manner:

a. 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.

b. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approve writing, providing such approval is delivered to the Secretary at or prior to the meeting.

c. Approval of an amendment must be by, and not less than 67% of the entire membership of the Board of Directors, and be not less than 67% of the votes of the eligible membership of the Association, or, (ii) not less than 80% of the votes of the entire membership of the Association (if nor proposed by the directors)

d. No amendment shall make any changes in the qualifications for membership, nor the voting rights of members, without approval in writing by all members.

e. A copy of each amendment shall be filled with the Secretary of State of Tennessee and shall be recorded in the Office of the Register of Davidson County, Tennessee.

WITNES MY HAND effective this 30 day of September, 2002.

INCORPORATOR

MIKE PARKER

EXHIBIT D
MAINTENANCE RESPONSIBILITY – SUMMARY

	UNIT OWNER	ASSOCIATION
Air conditioner\furnace\water heater	X	
Kitchen appliances	X	
Water leaks (roof, windows)		X
Structural integrity of building		X
Common Ground		X
Front and Rear Steps		X
Exterior doors (repairs\replacements)	X	
Interior maintenance	X	
Electrical connections and wiring	X	
Mailboxes		X
Plumbing (outside wall to meter)	X	
Plumbing (interior lines)	X	
Painting (exterior – all surfaces)		X
Patio\Balcony	X	
Roof\gutter (repair\replace)		X
Sidewalks		X
Siding\exterior trim (repair\replacement)		X
Trees (common area)		X
Lawn mowing\tree and scrub trimming		X
Garbage pick-up		
Exterior lighting		X
Windows\sliding doors\screens\doors	X	
Planting and maintenance of three feet of ground Adjacent and contiguous to each unit	X	

THIS INSTRUMENT WAS PREPARED BY:
Atwood & Moore, Attorneys at Law
2650C Memorial Blvd.
Murfreesboro, TN 37129

EXHIBIT E

ATTORNEYS CERTIFICATE

This document is intended to serve as the attorney's opinion which is required under the terms of Tennessee Code Annotated, Section 66-27-103. The undersigned, Mark S. Moore, an attorney licensed to practice law in State of Tennessee, hereby declares that upon the proper recording of this certificate and the following additional documents, all legal requirements for the creation of a Horizontal Property Regime Development under the terms of the Tennessee Horizontal Property Act, Tennessee Code Annotated, Sectin 66-27-101 et seq., will have been met:

1. The Master Deed establishing the Oak Grove Townhomes, a Horizontal Property Regime,

2. By-Laws of Oak Grove Townhouse Owner's Association, a townhouse corporation,

3. The plat for the Oak Grove Townhomes, a Horizontal Property Regime, which plat shows private and common elements of record in Instrument to be recorded, Register's Office for Davidson County, Tennessee.

4. The Charter of the Oak Grove Townhouse Owner's Association, a townhouse corporation.

WITNESS my hand this the 30 day of September, 2002.

MARK S. MOORE

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Personally appeared before me, the undersigned, a notary public in and for said County and State, the within named Mark S. Moore, attorney at law, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence) and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand this the 30 day of September, 2002.

NOTARY PUBLIC

My Commission Expires: 4-1-06

