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This instrument prepared by:
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Davidson County DEEDMAST
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MASTER DEED ESTABLISHING

807 EIGHTEENTH AVENUE

THIS MASTER DEED, made as of the 14th day of December, 2004, by 807 EIGHTEENTH PARTNERS, LLC, a Tennessee limited liability company, hereinafter referred to as "Declarant," for itself, its successors, grantees, and assigns.

W I T N E S S E T H:

WHEREAS, Declarant is the owner of a certain tract or parcel of land located in Davidson County, Tennessee more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Land"); and

WHEREAS, Declarant desires to submit the Land, and the improvements constructed thereon, to the condominium 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," which may hereinafter be referred to as the "Act;" and

WHEREAS, Declarant further desires to establish certain easements, rights, privileges and obligations applicable to the Property, as hereinafter defined, for the use and enjoyment of all Owners, as hereinafter defined, and to provide for the use and maintenance of the Property for the mutual benefit of all Owners and to promote the benefits of the condominium form of ownership hereinafter set forth.

NOW THEREFORE, in furtherance of the matters set forth above, Declarant does hereby declare as follows:

1. Definitions. The terms used herein and in the Charter and the By-Laws, as hereinafter defined, shall have the meanings provided in the Act, and as follows:

(a) "Assessment" means a share of the funds required for the payment of expenses and charges that from time to time may be assessed against each Unit Owner with respect to each Unit.

(b) "Association" means the 807 Eighteenth Homeowners Association, Inc., a Tennessee not for profit corporation, being the entity responsible for the operation of the Project.

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

(d) "Building" means the building located on the Land, forming part of the Property and in which the Units will be located, containing Units, breezeways, stairs, sidewalks, paved parking areas, driveways, and interior landscaping improvements.

(e) "By-Laws" means the Association By-Laws attached hereto as Exhibit C and incorporated herein by reference.

(f) "Common Elements" means all of the Property, other than the Units, including those items defined as "General Common Elements" in the Act, including without limitation the following:

(i) The Land;

(ii) All driveways, sidewalks, pathways, walkways, stairways, entranceways, balconies and access ways;

(iii) Foundations, bearing walls and columns, roofs, lobbies;

(iv) All yards and gardens, except those located within a Unit or designated as Limited Common Elements;

(v) All elements of garbage disposal systems not located within a unit;

(vi) All common recreational facilities and satellite, cable or telecommunications systems, if any;

(vii) All common storage areas and laundry rooms, if any;

(viii) Pipes, sprinkler systems, communications systems, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits located entirely within a Unit and serving only such Unit); and

(ix) Any and all elements of the Building and the Property that are of common use or necessary to the use, maintenance and safety of the Property consistent with the common form of ownership established hereby.

(g) "Common Expenses" means the following:

(i) Expenses of administration of the Project;

(ii) Expenses of maintenance, operation, repair, or replacement of the Common Elements;

(iii) Expenses of Utility Services;

(iv) Expenses declared Common Expenses by provisions of this Master Deed, the Charter or the By-Laws; and

(v) Any valid charge or tax against the Project as a whole.

(h) "Declarant" means 807 Eighteenth Partners, LLC, a Tennessee limited liability company, its successors and assigns, provided that such successors and assigns are designated in writing by Declarant as a successor or assignee of the rights of Declarant set forth herein.

(i) "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 of the Units.

(i) Notwithstanding the foregoing, all air conditioning and heating equipment, patios, porches, balconies, screens, storm windows, storm doors 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.

(ii) Each Unit shall have assigned to it, at the first conveyance of such Unit from Declarant to an Owner, one parking space, provided that nothing set forth herein shall prevent Declarant from conveying more than one space if such spaces are available. Each parking space conveyed with a Unit shall be treated as a Limited Common Element allocated exclusively to that Unit.

(j) "Majority" shall mean votes of Owners whose Proportionate Shares taken in the aggregate represent more than fifty percent (50%) of the total Proportionate Shares in the Building.

(k) "Plat" means that site plan of the Building and of each Unit attached hereto as Exhibit E and incorporated herein by reference.

(l) "Project" shall mean the Property and the Horizontal Property Regime established hereby and known as "807 Eighteenth Avenue."

(m) "Property" means the Land, the Building, all improvements now or hereafter erected on the Land, together with all plants, shrubs and trees located thereon, and together with all rights, ways and easements appurtenant thereto and all furnishings, equipment, fixtures and personal property intended for the common benefit of all Units or Unit Owners.

(n) "Proportionate Share" shall mean the percentage to the second decimal place that the square footage of each Unit (rounded to the nearest whole number) bears to the total square footage of all Units in the Building, as set forth on Exhibit D attached hereto and incorporated herein by reference.

(o) "Unit" shall mean the fee simple estates within the Building, as such area is identified, located and described on the Plat, and as hereinafter set forth.

(i) Notwithstanding the general definition set forth above, and consistent with the definition of Common Elements, the boundaries of each Unit shall be as follows:

(1) The upper boundary shall be its highest ceiling,

(2) 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),

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

(ii) 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:

(1) 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.

(2) If any chute, flue, duct, wire, conduit, or any other fixture 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.

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

(p) "Unit Owner" means the person or persons holding title in fee simple to a Unit.

(q) "Utility Services" shall include, but not be limited to, water, sewer, garbage collection, electricity required to operate the lights and other elements deemed to be Common Elements by this Master Deed, and other utility services provided the Property as a whole or otherwise designated by the Association, but not those utilities serving only individual Units.

(r) "Votes of the Membership" shall have such meaning as is set forth in Section 10(f) of this Master Deed.

2. Submission To Project Ownership.

(a) Declarant hereby submits the Property to a Horizontal Property Regime in accordance with the Act.

(b) The Property and the Horizontal Property Regime established hereby shall be known as "807 Eighteenth Avenue," and shall be referred to herein as the "Project."

(c) The address of the Project is 807 18th Avenue, Nashville, Tennessee 37203.

(d) The Units, Limited Common Elements and Common Elements of the Project are shown on the Plat and are otherwise described herein.

(e) Upon the filing for record of this Master Deed in the Register's Office for Davidson County, Tennessee, all taxes, assessments and other charges by any applicable

governmental authority, political subdivision, special improvement district, or other taxing agent assessing authority shall be assessed against and collected on each Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment against the Units, valuation of the Common Elements shall be apportioned among the Units according to each Unit Owner's Proportionate Share. The lien for taxes assessed to a Unit Owner shall be confined to his Unit and to his appurtenant undivided interest in the Common Elements. No forfeiture or sale of any Unit for delinquent taxes, assessment, or other governmental charge shall divest or in any way affect the title to any other Unit.

(f) Subsequent to the filing for record of this Master Deed in the Register's Office for Davidson County, Tennessee, contracts to convey, instruments of conveyance of Units, and every other instrument affecting title to a Unit shall describe such Unit by reference to the Plat and this Master Deed, together with an undivided interest in the Proportionate Share in Common Elements, with such omissions, insertions, recitals of fact or other provisions as may be required by the circumstances or appropriate to conform to the requirements of any governmental authority or any usage or requirement or law with respect thereto. Every instrument of conveyance, deed of trust, or other instrument affecting the title to a Unit that legally describes the Unit as set forth in this Section shall be construed to describe the Unit, together with the Limited Common Elements and the undivided interest in the Common Elements appurtenant to it, and together with all fixtures and improvements contained in it (unless any such fixtures or improvements shall be Common Elements), and to incorporate all the rights incident to ownership of a Unit and all the limitations of ownership as described in this Master Deed.

(g) The Project is divided into forty-four (44) Units, as set forth in the Plat. Each Unit consists of a fee simple interest in that Unit and the Limited Common Elements appurtenant thereto, and an undivided fee simple interest in the Common Elements in accordance with that Unit Owner's Proportionate Share. Such undivided interest in the Common Elements are hereby declared to be appurtenant to the respective Units.

(h) In addition to the interests set forth above, an interest in at least one parking space shall be conveyed as a Limited Common Element with each Unit, which conveyance shall be specifically enumerated in each instrument of conveyance. Furthermore, Declarant has the right to sell and convey to Unit Owners any parking spaces that exist in excess of the total number of parking spaces designated for the Units. Each parking space appurtenant to a Unit shall be maintained, repaired, taxed and assessed as if it were a Limited Common Element, subject to the provisions of Section 5(b)(iv) of this Master Deed.

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, that is equal to the Unit Owner's Proportionate Share, 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 Section 6 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 that sustain water damage, the primary cause of which is not the negligence of such Unit's occupants or Unit Owner.

(ii) The Association at its own expense shall clean the exterior surfaces of the windows at such intervals as determined appropriate by the Association.

(iii) 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 their Unit that would affect the exterior appearance of any portion of the Building. Unit Owners shall not decorate the glass windows serving their Units or otherwise change the appearance of the windows as viewed from the exterior of the Unit, except for drapes or curtains that must comply with the rules and regulations adopted by the Association, or seasonal or holiday decorations approved by the Association.

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

(d) In replacing those portions of a Unit that affect 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) Except as reserved herein to the Declarant, neither a Unit Owner nor the Association shall make any alteration in the portions of a Unit or the Project that are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything that would jeopardize the safety or soundness of the Project, 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. A copy of plans for all of such work prepared by an architect, licensed to practice in the State of Tennessee, shall be filed with the Association prior to the start of the work, unless such requirement is waived in writing by the Board. The time of performance of such work must be approved, in advance, by the Board or their agent.

(f) If a Unit Owner fails to maintain and repair their 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.

5. Maintenance and Alteration of Common Elements and Limited Common Elements.

(a) The maintenance, operation and repair of 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. The expense of such maintenance, operation and repair shall be a Common Expense initially paid for by the Association but assessed back against the Unit Owners as provided for in Section 6 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, storm windows and storm doors serving their Units, except that the Association at its own expense shall clean the storm windows and storm doors at such intervals as determined appropriate by the Association.

(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 shall be the responsibility and expense of the Association.

(iv) The Association shall maintain the parking areas, but shall assess the cost thereof against Unit Owners according to the number of parking spaces allocated to such Unit as a percentage of all parking spaces.

(c) Unit owners shall not make any changes, decorations or alterations of balconies, patios or any other Limited Common Element allocated to their Unit that would affect the exterior appearance of any portion of the Building without the approval of the Association.

(d) Except as reserved herein by Declarant, there shall be no alteration or further improvement of the Common Elements without prior approval in writing by the owners of not less than two thirds (2/3) of the votes of the Association, except as provided by the By-Laws, and any such alteration or improvement, if undertaken, shall not interfere with the rights of any mortgagee or Unit Owner. The shares of any cost of such alteration or improvement shall be assessed to the Unit Owners in accordance with their Proportionate Share. There shall be no change in the shares and rights of a Unit Owner in the Common Elements that are altered or further improved.

6. 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 Section 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 Section 5 of this Master Deed.

(b) Assessments, and installments thereon, paid on or before fifteen (15) days after the date when due, shall not bear interest, but all sums not paid on or before fifteen (15) days after the date when due shall bear interest at an interest rate per annum equal to the prevailing "prime rate" plus five (5) percentage points or at such other rate of interest determined by the Association, not to exceed the maximum rate allowed under applicable laws (the "Assessment Rate"), 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 to interest and then to the assessment payment first due.

(c) The Association shall have a lien against individual Units for unpaid Assessments as provided by the Act and this Master Deed. Such lien shall also secure reasonable attorneys' 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 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 Assessments. Such liability shall be a personal liability and 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 Assessments, to foreclose upon the lien securing the Assessments or to institute any other competent proceeding. In any event, the Association shall be entitled to recover 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.

7. Power of Sale to Enforce Assessment Lien.

(a) For and in consideration 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 Assessments 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 pro rata 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

non-payment of the Secured Charges, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the Unit Owners, their heirs, successors, administrators, and assigns, hereinafter referred to as Trustors, hereby transfer and convey unto J. Bryan Echols, Trustee, a resident of Williamson County, Tennessee, his successors and assigns, as Trustee, their respective Units with the appurtenances, estate, title and interest thereto belonging upon the uses and trusts set forth in this Section 7.

(c) Trustors agree (i) to pay the Secured Charges when due, as provided in this Master Deed; (ii) to pay, discharge, or remove, any and all liens (except a first mortgage or deed of trust) that may be hereafter placed against their Unit and that 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 adopted from time to time by 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 Trustor 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 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 (20) days notice by three (3) publications in any newspaper, daily or weekly, published in Davidson County, Tennessee to sell said Unit to the highest bidder for cash at such place in said County as is set forth in the published notices, at public outcry, free from all right of homestead, equity of redemption, statutory right of redemption and all other rights and exemptions of every kind, including, but not limited to, a statutory right to an elective share in the Trustor's Unit, 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 purchaser. The Association may bid at any sale under this trust conveyance for credit against the Secured Charges. 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 for 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 them 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 that may arise on account of the execution of this conveyance, or the enforcement of said lien;

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

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

(iv) Fourth, the residue, if any, will be paid to the Unit Owner of such Unit, their 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.

8. 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 Services 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 that 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 Project 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, 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) A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or person to enter upon the Land and Common Elements in the proper performance of their duties.

9. Rights of Mortgage Holders in Relation to Assessments.

(a) The liens as herein set out for the enforcement of Assessments shall in all respects be subordinate to first mortgage liens on the individual Units.

(b) The holder of a first mortgage, upon request, shall be notified by the Association in writing of any default by the mortgagor of a Unit in the performance of such mortgagor's obligations under the Project documents which is not cured within sixty (60) days.

(c) A first mortgagee who obtains title to a Unit by reason of foreclosure of a mortgage covering a Unit, or by a deed in lieu of foreclosure, shall take the Unit free of any claims for unpaid Assessments or charges against the Unit that accrue prior to the time such mortgagee comes into possession of the Unit. The preceding sentence shall not be construed to prevent the Association from filing liens for such Assessments and enforcing them against the prior Unit Owner as provided hereunder or by law.

10. Association.

The operation of the Project shall be by the Association, which shall be organized and shall fulfill its functions pursuant to the following provisions:

(a) The "Members" of the Association shall be the Unit Owners.

(b) The By-Laws of the Association shall be in the form attached hereto as Exhibit C.

(c) The Association shall be incorporated under a Charter in the form attached hereto as Exhibit B.

(d) 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.

(e) 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 same person who would cast the vote of such Unit Owner if in an Association meeting, unless the joinder of the record Owner of the Unit is specifically required by this Master Deed.

(f) Each Unit Owner shall have the number of votes as the number that is expressed as a percentage in that Unit Owner's Proportionate Share (the "Unit Owner's Votes"). The total of Unit Owner's Votes from all Project Unit Owners may be referred to herein as the "Votes of the Membership".

(g) To the extent permitted by governmental authorities, the Association may, but is not obligated to, provide the following services or engage in the following activities:

(i) water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable television or other telecommunication services

and other utility services; supply of irrigation water; garbage and trash collection and disposal; laundry equipment or service;

(ii) insect and pest control, improvement of vegetation and wildlife conditions; plant management, pollution and erosion controls;

(iii) emergency rescue, evacuation or safety equipment; fire protection and prevention; lighting of paved areas and driveways that are not dedicated roads; restricted or guarded entrances, traffic and parking regulation and security patrols within the Project;

(iv) transportation; day care and child care services; landscape maintenance; recreation, sports, craft and cultural programs; and newsletters or other information services;

(v) maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Project if its deterioration would affect the appearance of or access to the Project; and

(vi) any other service allowed by law to be provided by a homeowners' association organized under Tennessee law.

The Board may, by majority vote, initiate or terminate any of the above services, which shall take effect sixty (60) days after notice to the Members, except in an emergency. As determined by the Board depending upon the nature of the service, such additional services may be part of the common expenses of the Association, may be assessed as a Common Expense to affected Units, or may be provided on a fee-for-service or other reasonable basis.

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 Project, all improvements upon the Land, the Building, 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, 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 Project and personal property contents of the Units, including professional equipment related to the Unit Owner's use of the Unit) 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 coverages 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 purchased by the Association for the use and benefit of individual Unit Owners and their mortgagees. 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 mortgagees 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 that 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 but such policy or policies shall be in an amount not less than One Million Dollars ($1,000,000) per occurrence, including, but not limited to, hired automobile and non-owned automobile, if any automobile is owned by the Association, with cross-liability endorsement to cover liabilities of the Unit Owners as a group to individual Unit Owners;

(iii) Workman's compensation as required by law;

(iv) Officers liability insurance in an amount determined by the Board, but not less than $250,000 per occurrence; and

(v) 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 that has the effect of decreasing the type or amount of insurance required under the terms of this Master Deed, or that lowers the rating required of an insurance carrier, shall require prior approval in writing of seventy-five percent (75%) of the Votes of the Membership and fifty-one percent (51%) of the first mortgagees (based upon one vote for each Unit upon which a mortgage is held).

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

"807 Eighteenth Homeowners Association, Inc., for use and benefit of the individual Unit Owners."

(d) Such policy shall contain, or have issued in connection therewith, a loss payable clause that shall provide that any proceeds due shall be paid to the Association as Trustee,

subject to the provisions of this Master Deed for the use and benefit of the mortgagees of individual Units, if any, and Unit Owners as their interests may appear.

(e) All hazard insurance policies shall be written by a hazard insurance carrier that has a financial rating by Best's Insurance Reports of B-VI or better.

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

(g) The Association is hereby irrevocably appointed agent for each Unit Owner to purchase insurance as described and set forth 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 mortgagees 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 or its servicer.

12. Responsibilities of Association Regarding Insurance.

(a) All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to the Association as a Trustee.

(b) The duty of the Association as Trustee shall be to receive such proceeds as are paid, and to hold them in trust for the benefit of the mortgagees of individual Units, if any, and Unit Owners as their interests may appear. An undivided share of such proceeds on account of damage to Common Elements shall be allocated to the Unit Owners according to their ownership interest in the Common Elements as set forth in Section 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 mortgagees and the Unit Owner as their interests may appear.

(c) Expenses and fees of the Association as Trustee shall be paid by the Association and costs thereof included in the Common Expenses.

(d) Proceeds of insurance policies received by the Association as 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 Section 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 Section 14, 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.

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 Section 22 that the Project shall be terminated.

(b) If the damaged property is the Building, the damaged property shall be reconstructed or repaired as determined by the Association.

(c) Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Building or if not, then according to plans and specifications approved by 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 estimates 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 Master Deed. Additional Assessments may be made at any time during or following the completion of construction.

(d) The proceeds from Assessments and insurance received by the Association as Trustee shall be disbursed as follows:

(i) The portion of insurance proceeds for damage that is the responsibility of the Unit Owner to repair or reconstruct shall be paid by the Association 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 that 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 Association.

15. Use Restrictions.

The use of the Project shall be in accordance with the following provisions:

(a) Any Unit Owner may own multiple Units in the Project, provided that no Unit Owner may own (or partially own) , directly or by affiliates, more than ten (10%) of the total number of Units in the Project. Furthermore, at least seventy percent (70%) of the total number of Units in the Project must be owned as an owner-occupied primary or secondary residence, with no more than thirty percent (30%) of the total number of Units in the Project owned as investor Units. The limitations set forth in this Section 15(a) shall not apply to the Declarant.

(b) Each of the Units shall be used for residential purposes only, including home occupations that do not cause unreasonable disturbance to occupants of other Units and which are permitted by all applicable zoning codes. No more than two (2) individuals multiplied by the number of bedrooms in such Unit may reside within a Unit. Unit Owners may rent or lease such Units to others for the purposes allowed under this Master Deed, subject to Section 19 and the restrictions on ownership of Units in Section 15(a) above.

(c) No Unit may be divided or subdivided into a smaller Unit, nor any portion thereof sold or otherwise transferred. Nothing in this Section 15(c) shall prohibit the leasing of all or a portion of a Unit by the Unit Owner, subject to the provisions of Section 19 of this Master Deed, or the common ownership of undivided interests in a Unit by more than one person or entity.

(d) With the prior written consent of the Association, two or more adjoining Units may be used as a single Unit subject to the use restrictions of this Section 15. The Common Elements located between and separating two or more adjacent Units used together may be altered or removed to afford ingress and egress to and from such Units to enhance the use of such Units as a single Unit. The Unit Owner's right to use this portion of the Common Elements shall be pursuant to a license agreement with the Association subject to the following conditions:

(i) The expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alterations;

(ii) In the event such Units shall cease to be used as a single Unit, the Unit Owner or Owners shall pay the full expense of restoring such Common Elements to their condition prior to such alterations; and

(iii) The Unit Owner must comply with the requirements of Section 4, subsection (e) of this Master Deed for the construction or removal of the Common Elements separating such Units.

(e) 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. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements by any Unit Owner without the prior written approval of the Association.

(f) No use or practice shall be permitted on the Project that is the source of annoyance to residents, or that interferes with the peaceful possession and proper use of the Project by its residents. All parts of the Project 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, nor shall any combustible material be stored or allowed to accumulate on the walkways or balconies of the Project. No Unit Owner shall permit any use of their Unit, or of the Common Elements, that will increase the rate of insurance upon the Project. No immoral, improper, offensive, or unlawful use or commercial activity that would be deemed immoral, improper or

offensive shall be made of the Project 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 that require maintenance, modification, or repair of the Project shall be the responsibility of the person or entity responsible for the maintenance and repair of the property concerned. No damage to or waste of the Common Elements shall be committed by any Unit Owner, or by any member of the Owner's family, or by any guest, invitee, or lessee, and each Unit Owner shall indemnify and hold the Association and the other Unit Owners harmless against all loss resulting from any such damage or waste caused by such owner, the members of their family or their guests, invitees or lessees. Failure to so indemnify shall be a default by such Unit Owner under this Section 15, and such amount to be indemnified shall automatically become an Assessment determined and levied against such Unit, and enforceable as provided in Sections 6 and 7.

(g) All Units, whether or not the instrument of conveyance or assignment shall refer to this Master Deed, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in this Master Deed, as the same may be amended from time to time.

(h) No animals of any kind shall be kept, raised or bred on any portion of the Project; provided, however, a Unit occupant may keep up to two (2) dogs, cats or other interior confined household pets. Such household pets must be contained within the Unit and may not be permitted to run at large at any time. Pedestrians on the Common Elements who are accompanied by such household pets as are permitted by this Section 15(h) must have such pets under the pedestrian's direct control by use of a leash not to exceed ten (10) feet in length. Unit Owners will be required to take all steps necessary to control excessive barking or other disturbances caused by the pets kept in their Units. Without limiting the foregoing, owners shall pick up any pet waste and shall not in any event use the Common Elements for pet relief. Further rules and regulations may be established by the Board from time to time.

(i) No trash, ashes, building materials, firewood or other unsightly items should be thrown, dumped or stored on any land or area within the Project, except as designated by the Association. There shall be no burning or other disposal of refuse out of doors.

(j) No laundry or wash shall be dried or hung outside any Unit or on any balcony or patio of any Unit. No exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device shall be permitted outside any Unit, except as permitted in writing by the Association or required to be permitted by federal, state or local law. No bicycles or trash containers may be stored on the balconies or patios of the Units. Lawn furniture and barbecue grills may be stored on balconies or patios of Units where such balconies or patios are deemed Limited Common Elements and if such items are not taller than 36" high and cannot be viewed from other Units or other portions of the Project.

(k) Reasonable rules and regulations concerning the use of the Project property may be made and amended from time to time by the Association in the manner provided by its Charter and By-Laws (the "Rules and Regulations"). Copies of such Rules and Regulations and amendments thereto shall be furnished by the Board to all Unit Owners and residents of the Project upon request. The Association, or the Board acting on behalf of the Association, may take such action as it deems advisable to enforce these restrictions as provided in this Master Deed. In addition, the Association and the Board shall have a right of entry on any part of the

Project for the purposes of enforcing this Article, and any costs incurred by the Association or the Board in connection with such enforcement that remain unpaid thirty (30) days after the Association has given notice of the cost to the Unit Owner and otherwise complied with the Act shall be subject to interest at the Assessment Rate from the date of the advance by the Association or the Board through the date of payment in full by the Unit Owner, and shall be treated as an Assessment enforceable as provided in Sections 6 and 7.

16. Professional Management.

The Association may enter into a contract for the management of the Project with a management company or individual, which shall hereinafter be referred to as the "Managing Agent."

17. 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 that may affect the title to a Unit within five (5) days after the Unit Owner receives knowledge thereof.

(c) Failure to comply with this Section 17 will not affect the validity of any mortgage instrument or the enforcement thereof at any public or judicial sale.

18. 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 Act, a default by a Unit Owner shall entitle the Association, acting through the Board or through the Managing Agent (as designated in accordance with the By-Laws), 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 their act, neglect, or carelessness, or by that of 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 attorneys' 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 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 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 Act, the Project instruments above named, or at law or equity.

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

(i) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, or any portion of the Project 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 Association, 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.

(e) Legal Proceedings. Any violation of the provisions of the 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 subsection (f) hereof. All expenses of the Association incurred in connection with any such actions or proceedings, including court costs, attorneys' 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 their respective share of the Common Expenses and an Assessment against the Unit. The Association shall have a lien for all of the same upon the Unit and its appurtenant interest in the Common Elements, upon all of the Unit Owner's additions and improvements thereto and upon all of their personal property in the 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 and the Managing Agent, if so authorized by the Board, 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 a Unit) continues or occurs repeatedly during any ten (10) day period after notice of such violation from the Board, the Board shall have the power to terminate such Unit Owner's rights as a Unit Owner. The Board shall issue a written notice to such defaulting Unit Owner terminating their right to continue to occupy, use or control their Unit. Thereafter, the Board shall file an action seeking a decree terminating such Unit Owner's right to occupy, use or control the Unit, and ordering that all right, title and interest of such defaulting Unit Owner in the 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 their 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 attorneys' 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 shall so provide, that the purchaser shall take the interest in such Unit and the Common Elements subject to this Master Deed.

(g) Sale for Non-Payment of Assessments. Notwithstanding any term or provision of this Section 19, the Association shall obtain the written consent of a majority of the Votes of the Membership prior to the Association's exercise of any of the remedies provided in this Section 19 to terminate the rights of any Unit Owner to occupy, use or control the Unit owned by such Owner, except that in the case of the sale of a Unit for non-payment of Assessments no such consent shall be required.

19. Lease and Transfer of a Unit, Notice to Association.

(a) Leases. No Unit Owner may enter into lease agreements whereby they, as Lessor (or Sub-lessor), lease more than two (2) Units, cumulative. All leases shall be in writing and shall be for a term of not less than six (6) months. A copy of every lease of a Unit shall be furnished to the Board prior to occupancy by the tenant. Every such lease shall expressly provide that the lessee shall be bound by and subject to the Rules and Regulations of the Board. A copy of the Rules and Regulations shall be attached to each lease and shall be delivered by the Unit Owner to the lessee. The Unit Owner making such lease shall not be relieved thereby from any of their obligations under this Master Deed. The Board shall have all the authority in its sole discretion to require at any time that any Unit Owner who is leasing their Unit place on deposit with the Board such reasonable sums as the Board may require to be used as an indemnity against loss or damage to the Common Elements that might be caused by such Unit Owner's lessee. The terms of the indemnity shall be such terms as might be satisfactory to the Board. The Board shall furnish Unit Owner a notice in writing that shall constitute that Unit Owner's notice to make such deposit. In the event Unit Owner fails to comply with the terms of the notice within ten (10) days from the date the notice is mailed to them, the Board at its option may elect to terminate the subject lease. The Board shall give Unit Owner and their lessee notice of such election in writing. Within ten (10) days after said notice is placed in the United States mail addressed to Unit Owner's last known address or within ten (10) days after a written notice of such election is delivered to the residence of the lessee, whichever shall last occur, lessee shall forthwith and immediately vacate the subject Unit and Unit Owner shall take such further action as may be necessary to insure that said lessee vacates said Unit.

(b) Notice of Transfer of Unit. Whenever a Unit Owner shall sell, give or otherwise transfer their 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.

(c) Miscellaneous.

(i) The Board may adopt rules and regulations, from time to time, not inconsistent with the provisions of this Section 19, for the purpose of implementing and effectuating said provisions.

(ii) If any transfer or lease of a Unit is made or attempted without complying with the provisions of this Section 19, such transfer or lease shall be subject to each and all of the rights and options of, and remedies and actions available to, the Association hereunder and otherwise.

(iii) All notices referred to or required under this Section 19 shall be given in writing by certified mail return receipt requested or by personal service.

20. 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 Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of a Majority Unit Owners.

(b) The Board shall have authority to make special Assessments proportionately among the respective Unit Owners, and such other financing arrangements as the Association may deem desirable, in order to close and consummate the purchase of a Unit, by the Board. 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, for the benefit of all Unit Owners. The Board shall have authority at any time to sell, lease or sublease said Unit on behalf of the Association upon such terms as the Association 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 with Proportionate Shares of more than fifty percent (50%) first authorize the sale for such lesser amount.

21. 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 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-six and two-thirds percent (66-2/3%) of Votes of the Membership.

(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 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, and the provisions of this Section 21 are followed.

(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 when recorded in the Register's Office of Davidson County, Tennessee.

22. Termination.

The Project may be terminated as follows:

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

(b) The Project 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 Project 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.

23. Approval Rights of Mortgagees.

Except as provided by the Act in case of substantial loss to the Units and/or Common Elements, unless at least sixty-six and two-thirds percent (66-2/3%) of the first mortgagees of the Units (based upon one vote for each Unit upon which a mortgage is owned), or Unit Owners with sixty-six and two-thirds percent (66-2/3%) of the Votes of the Membership have given their prior written approval, the Association shall not be entitled to:

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

(b) Change the pro rata interest or obligations of any Unit for the purpose of:

(i) Levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or

(ii) Determining the pro rata share of ownership of each Unit in the Common Elements.

(c) Partition or subdivide any Unit;

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

public purposes consistent with the intended use of the Common Elements by the Project shall not be deemed a transfer within the meaning of this clause);

(e) Use hazard insurance proceeds for losses to any Project property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such Project property, except as provided by statute in case of substantial loss to the Units and/or Common Elements of the Project.

24. Further Assurances for First Mortgagees.

Notwithstanding anything to the contrary contained in this Master Deed or in the By-Laws of the Association, the following provisions shall be complied with regarding the Project:

(a) Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or deed of trust, or upon foreclosure of the mortgage or deed of trust or upon receiving a deed (or assignment) in lieu of foreclosure will be exempt from the provisions of Section 19 relating to the rights of the Association upon transfer of a Unit. Specifically, and without limitation upon the above provisions of this Subsection (a), the Master Deed, the attached By-Laws, or any other of the Project's constituent documents shall not impair the rights of a first mortgagee to:

(i) Foreclose or take title to a Unit pursuant to the remedies provided in the mortgage, or

(ii) Accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or

(iii) Sell or lease a Unit acquired by the mortgagee.

(b) First mortgagees shall have the right to examine the books, records and financial statements of the Association, as well as the By-Laws and other rules concerning the Project at reasonable times and upon reasonable notice.

(c) First mortgagees shall have the right, upon written request, to receive a financial statement from the Association for the immediately preceding fiscal year.

(d) Assessments shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements that must be replaced on a periodic basis and shall be payable in regular installments rather than by special Assessments.

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

(f) Any agreement for professional management of the Project, or any other contract providing for services by the Declarant may not have a term greater than three (3) years. Any

such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice.

(g) The Association, upon receiving notification of the existence of a first mortgage on any particular Unit, shall provide notice in writing to such mortgagee, or to such other entity as such mortgagee may direct, of any loss to, or taking of, the Common Elements of the Project if such loss or taking exceeds the market value of any one Unit, or damage to a Unit covered by such mortgage if such loss or taking exceeds ten percent (10%) of the market value of any one Unit.

(h) First mortgagees shall have the right, upon written request, to receive notice from the Association of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(i) First mortgagees shall also have the right, upon written request, to receive written notice from the Association of any proposed action that requires the consent of a specified percentage of mortgage holders.

25. Non-Liability of the Declarant and Board of Directors of the Association.

The Declarant, Board, 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 offices, directors or Declarant and their respective heirs, executors, administrators, successors and assigns, in accordance with the provisions of Article V of the By-Laws.

26. Service Contracts.

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

27. Severability.

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

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IN WITNESS WHEREOF, 807 EIGHTEENTH PARTNERS, LLC, a Tennessee limited liability company, as owner of the real estate herein described has executed this Master Deed as of the 14th day of December, 2004.

DECLARANT:

807 EIGHTEENTH PARTNERS, LLC, a Tennessee limited liability company

By: _____
MARTIN H. HEFLIN, Chief Manager

STATE OF TENNESSEE)

COUNTY OF Davidson)

Before me, Robin F. Hull, a Notary Public of said County and State, personally appeared MARTIN H. HEFLIN, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Chief Manager (or other officer authorized to execute the instrument) of 807 EIGHTEENTH PARTNERS, LLC, the within named bargainor, a Tennessee limited liability company and that he as such Chief Manager executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal, at Office in Nashville, Tennessee , this 14 day of December, 2004.

Robin F Hull
Notary Public
My Commission Expires: 10/12/2008

ROBIN F. HULL
STATE OF TENNESSEE NOTARY PUBLIC
COUNTY OF WILLIAMSON
MY COMMISSION EXPIRES: OCTOBER 12, 2008

EXHIBIT A

PROPERTY DESCRIPTION

Land in Davidson County, Tennessee is described as follows:

TRACT 1:

Land in Davidson County, Tennessee, being Lot No. 139 on the Map of O.B. Hays Plan of Small Lots, of record in Book 1, page 69, of the Chancery Court in Nashville.

Said Lot No. 139 fronts 50 feet on the westerly side of 18th Avenue South, and runs back between parallel lines 150 feet to an alley.

TRACT 2:

Being Lot No. 140 on the Map of O.B. Hayes Addition, of record in Plan Book 1, page 69 of the Chancery Court at Nashville, Tennessee.

Said Lot No. 140 fronts 50 feet on the westerly side of 18th Avenue South, and runs back between parallel lines 150 feet, more or less, to an alley.

TRACT 3:

Being Lot No. 141 on O.B. Hayes' First Plan of Small Lots, of record in Plan Book 1, page 69, of the Chancery Court at Nashville.

Said Lot No. 141 fronts 50 feet on the westerly side of 18th Avenue South, formerly Lamar Street, and runs back between parallel lines 150 feet to an alley.

Being the same property conveyed to 807 Eighteenth Partners, LLC, a Tennessee limited liability company, by deed from Mitchell Shedd and James Harold Shedd, of record as Instrument Number 20040727-0089846, Register's Office of Davidson County, Tennessee.

EXHIBIT B

CHARTER OF 807 EIGHTEENTH HOMEOWNERS ASSOCIATION, INC.

3w3
S.H
JBE

Secretary of State

Division of Business Services
312 Eighth Avenue North
th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 10/29/04
REQUEST NUMBER: 5269-0911
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 10/28/04 1603
EFFECTIVE DATE/TIME: 10/28/04 1603
CONTROL NUMBER: 0480357

TO:
STITES & HARBISON PLLC
424 CHURCH STREET
STE 1800
NASHVILLE, TN 37219

PICK-UP

Davidson County CHARTER
Recvd: 11/30/04 11:21 4pgs
Fees:7.00 Taxes:0.00

20041130-0142097

RE:
807 EIGHTEENTH HOMEOWNERS ASSOCIATION, INC.
CHARTER - NONPROFIT

CONGRATULATIONS UPON THE INCORPORATION OF THE ABOVE ENTITY IN THE STATE OF TENNESSEE, WHICH IS EFFECTIVE AS INDICATED.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE CORPORATION'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH THE WRITTEN NOTIFICATION. THIS OFFICE WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE DISSOLUTION.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE. PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: CHARTER - NONPROFIT ON DATE: 10/21/04

FROM:
STITES & HARBISON PLLC (424 CHURCH ST)
STE 1800
424 CHURCH ST
NASHVILLE, TN 37219-0000

	FEES	
RECEIVED:	$100.00	$0.00
TOTAL PAYMENT RECEIVED:		$100.00

RECEIPT NUMBER: 00003599942
ACCOUNT NUMBER: 00355982

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

SS-4458

FILED

CHARTER OF

807 EIGHTEENTH HOMEOWNERS ASSOCIATION, INC.

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

1. The name of the corporation is 807 Eighteenth Homeowners Association, Inc.

2. The duration of the corporation is perpetual.

3. The address of the principal office of the corporation in the State of Tennessee shall be 2200 21st Avenue South, Suite 407, Nashville, Tennessee 37212.

4. The corporation is not for profit. The corporation is a mutual benefit corporation.

5. The name and address of the incorporator of the corporation is J. Bryan Echols, Suite 1800, 424 Church Street, Nashville, Davidson County, Tennessee 37219.

6. The purpose for which the corporation is organized is to provide an entity for the administration and operation of the condominium units situated in the condominium known as 807 Eighteenth Avenue (hereinafter collectively called the "Property" and the individual units which comprise the "Property" are herein collectively and individually called the "Units"), in accordance with the provisions of that certain Master Deed pertaining to said subdivision and filed or to be filed of record in the Register's Office for Davidson County, Tennessee (hereinafter called the "Declaration"), and to use the maintenance fund thereby created to provide and pay for such services and things as the corporation shall deem necessary or advisable from time to time for the maintenance, improvement, and general benefit of said Property, including the approaches thereto and adjacent streets and rights-of-way, all to be in accordance with the provisions of said Declaration, and to do all such other acts and things that the corporation shall deem reasonable or necessary in connection with the foregoing purposes and to do all such other acts or things as may be allowable under applicable law, including the Tennessee Nonprofit Corporation Act, as amended from time to time.

7. The corporation shall have members. The members of the corporation shall consist of all of the owners of the Units. The membership of a member shall terminate upon the sale, transfer, or other disposition of his or its ownership interest in a Unit. Change of membership in the corporation shall be consummated by the transfer of title to a Unit as set forth in the Declaration. Membership shall not terminate upon the death or termination of existence of any member. Each membership is transferable, but only to the extent set forth in Article 8 hereof.

8. Every person or entity owning a Unit of record or hereafter acquiring either the entire fee title or an undivided interest in the fee title to any Unit shall be a member of the corporation. (The foregoing is not intended to include persons or entities holding an interest in a Unit merely as security for the performance of an obligation.) Membership shall be appurtenant to the ownership of a Unit and a member's interest in the corporation cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance to the ownership of a Unit.

9. The corporation shall have one class of member, their voting rights equal to the nearest whole number of square footage in each Unit owned by such members as a percentage relative to the total square footage of all Units.

10. The following individuals shall serve as the initial directors (collectively, the "Board"):

NAME	ADDRESS
1. Martin H. Heflin	2200 21st Avenue South, Suite 407 Nashville, Tennessee 37212
2. Robert W. Springer	2200 21st Avenue South, Suite 407 Nashville, Tennessee 37212
3. Dennis Van Style	503 Space Park South Nashville, Tennessee 37211

11. No director elected by the members of the corporation shall receive compensation for any service rendered to the corporation. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to any of its officers, directors, or any other private individual, except that the corporation shall be authorized to pay reasonable compensation for services rendered to or for the corporation affecting one or more of its purposes, and to make payments and distributions in furtherance of the purposes set forth herein, and no officer or director of the corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the corporation.

12. The Board is expressly authorized to (a) take, on written consent without a meeting, any action that it could take by means of a regularly called and held meeting, provided that such written consent sets forth the action so taken and is signed by all the directors; (b) adopt, amend, restate, or repeal any of the corporation's bylaws; (c) by a vote of a majority of the entire Board, remove a member of the Board with cause.

13. The corporation shall be a mutual benefit corporation. The corporation may be dissolved in the event that the Property is removed from a horizontal property regime.

14. Every director or officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed on such director or officer in connection with any controversy or proceeding to which he or she may be made a party, or may become involved, by reason of being or having been a director or officer at the time such expenses or liabilities are incurred, except in cases where such director or officer is adjudged to be guilty of willful misfeasance or malfeasance in the performance of his or her duties of office; provided, that in the event of a settlement of any such controversy or proceeding, the indemnification herein shall apply only when the Board approves such settlement and any related reimbursement as being in the best interests of the corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which any director or officer may be entitled.

15. A director of the corporation shall not be liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director; provided, however, that this

provision does not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its members, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, or (iii) for a distribution to members that is unlawful. If Tennessee law is amended or modified to authorize corporate action eliminating or further limiting the personal liability of directors, the liability of a director of the corporation shall be eliminated or limited, without the necessity of further amendment of this Charter, to the fullest extent permitted by Tennessee law. Any repeal or modification of the provisions of this Article 15 shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

16. The address of the registered office and the registered agent for the corporation shall be S & H Nashville, LLC, 424 Church Street, Suite 1800, Nashville, Davidson County, Tennessee 37219.

J. BRYAN ECHOLS, Incorporator

Bill Garrett

Davidson County Register of Deeds

CUSTOMER RECEIPT - RECORDING SERVICES

Receipt Number: **T20040100455**
Date/Time: 11/30/2004 11:21:57
Method Received: Walk-In
Clerk: vjohnson

Customer Name : BRANDON

HOLD AT COUNTER

PICK-UP

Transaction Detail

Instrument Number	Instrument Type	Gen. Fee	Equip. Fee	Transfer Tax	Mortgage Tax	Copy	Cert. Copy	Total Copy Fee	# Pgs	Consideration	Subtotal
200411300142097	CHARTER	$5.00	$2.00	$0.00	$0.00	N	N	$0.00	4		$7.00

First Party Name	Second Party Name
STATE OF TENNESSEE	807 EIGHTEENTH HOMEOWNERS ASSOCIATION

Payment Information

Method of Payment	Payment Control ID	Authorized Agent	Company	Amount
Check	138346			$7.00

AMOUNT PAID:	**$7.00**
LESS AMOUNT DUE:	$7.00
CHANGE RECEIVED:	**$0.00**

EXHIBIT C

BY-LAWS OF 807 EIGHTEENTH HOMEOWNERS ASSOCIATION, INC.

EXHIBIT "C" TO MASTER DEED

BY-LAWS
for
807 EIGHTEENTH HOMEOWNERS ASSOCIATION, INC.,
a Tennessee Not-for-Profit Corporation

ARTICLE I

ASSOCIATION & MEMBERSHIP

1.1 Association. These are the By-Laws of 807 EIGHTEENTH AVENUE, (the "Project"), and 807 Eighteenth Homeowners Association, Inc. (the "Association"), a corporation not for profit organized under Tennessee law, the Charter of which was filed in the Office of the Secretary of State of Tennessee on October 29, 2004 and is of record in that Office under Control Number 0480357.

1.2 Administration. The Association has been organized for the purpose of administering the Project established under the Master Deed filed of record as Instrument No. __, Register's Office of Davidson County, Tennessee (the "Declaration"), pursuant to Title 66, Chapter 27, Section 101, et sec., as amended, Tennessee Code Annotated, herein called the "Horizontal Property Act," which Project is located at 807 18th Avenue, Nashville, Davidson County, Tennessee 37203. The affairs of the Association shall be managed by the members of the Association acting through its Board and officers which are described in Articles III and IV of these By-Laws. Until the initial meeting of the Association, the initial Board as named in the Charter shall govern. The Members representing sixty-six and two-thirds percent (66-2/3%) of the Units in the Project may modify the system of administration set forth in this Section 1.2.

1.3 Membership. The members of the Association consist of the owners (the "Unit Owners" or "Members") of separately conveyable condominium units ("Units") in the Project. The membership of each Unit Owner shall terminate when he ceases to be a Unit Owner of a Unit. Upon the sale, transfer or other disposition of his ownership interest in a Unit, membership in the Association shall automatically be transferred to the new Unit Owner. The Association may issue certificates evidencing membership.

1.4 Shares; Votes. Each Member shall have an interest in the funds and assets of the Association and shall be assigned a vote as set out in the Declaration.

1.5 Definitions. The terms used in these By-Laws, to the extent they are not otherwise defined herein shall have the same definition as set forth in the Declaration.

ARTICLE II

MEETINGS OF MEMBERSHIP

2.1 Rules. The meetings of the membership shall be held in accordance with the provisions of the Declaration and, subject to the Declaration, in accordance with these By-Laws. Except where in conflict with the Declaration, Roberts Rules of Order (as amended) shall govern the conduct of all membership meetings. The minutes of each meeting shall be recorded by the Secretary.

2.2 Annual Meeting. The Members of the Association shall have an annual meeting. The annual meeting of the Association membership shall be held at the offices of the Association or at such other place in the state of Tennessee as shall be designated by the Board or the President of the Association. The annual meeting shall be at a place and time determined by the Board, which shall ordinarily be at least 11 months but no later than 13 months since the previous annual meeting.

2.3 Special Meetings. Unless specifically provided otherwise herein or in the Declaration, meetings of the membership shall be held when directed by the President or the Board or when requested in writing by Members holding a Majority of the Votes of the Membership (as defined in the Declaration). The Secretary shall issue the call for the meeting in accordance with the terms of Section 2.4.

2.4 Notice. Notice of all Members' meetings, annual, regular or special, shall be given in writing by the President, Vice President or Secretary of the Association to each Member, unless such Member has waived such notice in accordance with the terms of Section 2.5, and such notices shall state the time and place of the meeting and the objects for which the meeting is called. Such notices shall be mailed or personally delivered to each Member not less than ten (10) nor more than thirty (30) days prior to the meeting, except in an emergency, in which case the Board shall give such notice as is reasonable under the circumstances.

In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the Project not less than forty-eight (48) hours prior to any special meeting and not less than fourteen (14) days prior to the annual meeting.

2.5 Waiver. Any Member may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates, and such waiver will be deemed to be the equivalent to the giving of notice.

2.6 Quorum. Voting at an Association meeting requires presence of Members (in person, by proxy or, to the extent allowed by Tennessee law, by telephone conference) representing the percentage of Votes of the Membership established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 25% or more than 50% of the Votes of the Membership. If any meeting of the Members cannot be organized because a quorum is not present at the meeting, the Board may adjourn the meeting, and adequate notice of the new date shall be given as described in Section 2.4 of these By-Laws.

2.7 Proxies. Proxies shall be in writing and are revocable at any time at the pleasure of the Member executing it. A proxy shall be valid only for the particular meeting designated and any lawfully adjourned meetings thereof (but in no event shall a proxy be valid for more than 90 days after the date of the first meeting for which it was given). All proxies must be filed with the Secretary before the appointed time of the meeting.

2.8 Unit Votes. 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(s) 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 an entity other than an individual, the person entitled to cast the vote for the Unit shall be designated by a certificate of appointment signed by the President, Chief Manager or a general partner of the entity 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(s) 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(s) 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(s) of the Unit. If the record owners of a Unit cannot unanimously agree as to who may cast the vote(s) of the Unit, the vote of the Unit shall not be counted.

2.9 Order of Business. The order of business at annual Members' meetings, and as far as practical at all other Members' meetings, shall be:

(a) election of a chairman of the meeting, if the President is unavailable to preside;

(b) calling of the roll and certifying the proxies;

(c) proof of notice of meeting or waiver of notice;

(d) reading and disposal of any unapproved minutes;

(e) reports of officers;

(f) reports of committees;

(g) election of officers;

(h) unfinished business;

(i) new business, and

(j) adjournment.

2.10 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of Directors) by written ballot. Ballots shall be mailed or hand delivered to all Members. The Board shall establish for each vote the amount of time to be permitted for voting, which shall be no less than 10 days nor more than 60 days, and all ballots returned within the permitted time shall be counted. The Board may also establish a minimum number of ballots that must be returned in order for the vote to be valid, within the limits required for a quorum.

ARTICLE III

BOARD OF DIRECTORS

3.1 Initial Composition. The Board shall initially consist of those persons set forth as directors in the Charter.

3.2 Election By Members, Declarant. Members other than the Declarant shall be entitled to elect a director to the Board when Members other than the Declarant cumulatively own a total of twenty-two (22) Units. Notwithstanding the foregoing, the Declarant shall be entitled to elect a majority of the Directors so longs as Declarant owns one-fourth (1/4) of the total number of Units.

3.3 First Election. Within sixty (60) days after the Members other than the Declarant become entitled to elect a director to the Board, the Association shall call a meeting of the Members to elect such Director. Notice shall be given not less than thirty (30) days nor more than forty (40) days before the meeting. The meeting may be called and notice given by any Member if the Association fails to do so. At the meeting, such Members shall elect the Director to the Board, who shall serve until the next regularly scheduled annual meeting of the Association, when their successors shall be elected as provided in these By-Laws.

3.4 Number of Directors. The Board shall consist of at least three directors, plus the immediate past president, if not already a director and otherwise available to serve. The number of directors shall be determined from time to time by the Board. When the immediate past president serves as an additional director, he or she shall not vote when an even number of directors is present.

3.5 Term. Directors shall hold office for a term of two years, except the immediate past president, who shall serve for one year. A director may be elected to a one-year term to permit staggered terms. Directors may be elected for successive terms.

3.6 Qualifications. Directors are not required to be Members.

3.7 Voting Procedure. Each Member shall be able to vote the number of his Unit Owner's Votes (as defined in the Declaration) for each seat to be filled. No cumulative voting shall be permitted. The candidates receiving the highest number of votes shall be declared elected.

3.8 Removal. After the First Election described in Section 3.3, any director, except those selected by Declarant, may be removed from office, with or without cause, by at least a Majority of the Votes of the Membership (as defined in the Declaration) at any duly called meeting of the Members. A special meeting of the Association may be called by Members representing fifty percent (50%) of the Votes of the Membership to remove a director or directors from office. The notice shall state the purpose of the meeting and shall be given to all Members in writing at least one week prior to the Association meeting.

3.9 Vacancy. Any vacancy occurring in the Board may be filled by a majority vote of the remaining Board members, except that a vacancy resulting from removal of a director by the members shall be filled by a vote of the membership. Members shall also vote to fill a vacancy if there are not sufficient remaining Board members to constitute a quorum.

3.10 Meetings. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board at which official action may take place shall be open to all members and,

except in an emergency as provided above, notices of all such meetings shall be posted in a conspicuous place on the Project at least 48 hours prior to the meeting. However, members shall not be entitled to vote or participate in any other way at the meeting.

3.11 Waiver. Any director may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

3.12 Quorum. Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference or, if permitted by law, by proxy or by any other permissible means. Any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

3.13 Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Unit Owners but may be reimbursed for expenses.

3.14 Powers and Duties. The Board shall have the following powers and duties:

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

(b) To administer the affairs of the Association and the Project and formulate policies for such purposes;

(c) To adopt administrative rules and regulations governing the surveillance, administration, management, operation and use of the Project, including the imposition of penalties for violation thereof, and to amend such rules and regulations from time to time (the "Rules and Regulations"). 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-six and 2/3 percent (66-2/3%) of the Votes of the Membership. The Board shall give written notice to all Members of the adoption of any new Rules and Regulations or the amendment of any existing Rule or Regulation;

(d) To provide for the maintenance, repair and replacement of those parts of the Project stated in the Declaration to be maintained by the Association;

(e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager (such person(s) may be referred to hereinafter as the "Managing Agent"), to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the employees or agents of the Association;

(f) To determine the fiscal year of the Association (and to change said fiscal year from time to time as the Association deems advisable), and to estimate the amount of the annual budget, to provide the manner of assessing and collecting from the Members their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental Assessment as the Board shall deem necessary;

(g) To secure insurance policies as required by the Declaration and in this regard, to review annually the amounts of coverage afforded by such policy or policies;

(h) To maintain or defend any action in any court or other proceeding on behalf of the Members that arises in connection with the Project;

(i) Unless otherwise provided herein or in the Declaration, to comply with the instructions of the Members representing a majority of the Votes of the Membership, as expressed in a resolution duly adopted at any annual or special meeting of the Members; and

(j) To exercise all other powers and duties of the Board provided for in the Declaration and the Charter.

ARTICLE IV

OFFICERS

4.1 Election. Subject to the provisions of the Declaration and Charter, at each annual meeting of the Board, the Board shall elect the following officers of the Association:

(a) A President, who shall be a director, shall preside over the meetings of the Board and of the Association and shall be the chief executive officer of the Association. In the recess of the Board, the President shall have general control and management of the business and affairs of the Association;

(b) One or more Vice Presidents, who shall also be directors and who shall, in the absence or disability of the President, perform the duties and exercise the powers of the President;

(c) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;

(d) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and

(e) Such additional officers as the Board shall see fit to elect. An individual may hold more than one position.

4.2 Powers. The officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

4.3 Term. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

4.4 Vacancy. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

4.5 Compensation. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Members, but may be reimbursed for expenses.

ARTICLE V

INDEMNIFICATION

5.1 Indemnification. To the extent not covered by insurance, the Association shall indemnify and hold harmless each of its directors, officers and the Declarant, against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, officers or Declarant, on behalf of the Association, or arising out of their status as directors, officers 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 or other, in which any such director, officer or Declarant may be involved by virtue of such persons being or having been such director, officer or Declarant, provided, however, that such indemnity shall not be operative with respect to:

(a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director, officer or Declarant, or

(b) 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 or Declarant.

5.2 Success In Defense. To the extent that the Declarant or an officer or director of the Association appointed or elected pursuant to these By-Laws has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 5.1 or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

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

5.4 Special Assessment. The Association shall have the power to raise and the responsibility for raising, by Special Assessment or otherwise, any sums required to discharge its obligations under this Article V, provided, however, that the liability of any Member arising out of any contract made by or other acts of the directors, officers or Declarant, or out of the aforesaid indemnity in favor of the directors, officers or Declarant shall be limited to said Unit Owner's Proportionate Share. Every agreement made by the director, officers, Declarant or by the Managing Agent on behalf of the Unit Owners shall provide that the directors, officers, Declarant or the Managing Agent, as the case may be, are acting only as agents for the Members

and shall have no personal liability thereunder (except as Unit Owners), and that each Member's liability thereunder shall be limited to such Unit Owner's Proportionate Share. The indemnification provided by this Article V 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 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 an officer or director of the Association, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE VI

ASSESSMENTS

6.1 Payments. The Board shall make Assessments against the Members for their shares of the items of the budget on or before December 20 preceding the year for which the Assessments are made. The Members shall pay such Assessments in twelve (12) equal payments due on the first day of each month of the year for which the Assessments are made. 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.

6.2 Default; Acceleration. If a Member shall be in default in the payment of an installment upon an Assessment, the Board may accelerate the remaining installments of the Assessment upon notice thereof to the Member, 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 Member, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

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

6.4 Association Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board 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 Board. The Board may contract with a Managing Agent to provide that the Managing Agent shall collect Assessments from Members 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 bonds. The signatures of two officers of the Association or in the event a Managing Agent is employed, the signatures of at least two employees specified in the contract, shall be required to sign any check in excess of $5,000.00. Three authorized signatures, one of which must be of an officer of the Association, shall be required for any checks 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 Association and one employee of the Managing Agent. If there is no Managing Agent, the signatures of two officers shall be sufficient.

6.5 Audit. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each member not later than one hundred twenty (120) days following the year for which the report is made.

ARTICLE VII

RECORDS

7.1 Accounting. The Board shall maintain accounting records according to generally accepted accounting practices, which records shall be open to inspection by Members at reasonable times and upon reasonable notice. These accounting records shall include a record of receipts and expenditures and a separate account for each Member showing the assessments charged to and paid by such Member. Within ninety (90) days after the end of each year covered by an annual budget, the Board shall cause to be furnished to each Member a statement for such year showing the receipts and expenditures and such other information as the Board may deem desirable. Upon reasonable notice to the Board, any Member shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from him.

7.2 Meetings. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

ARTICLE VIII

AMENDMENT

These By-Laws may be altered, amended, modified or repealed by (a) two-thirds of the Directors, or (b) assent in writing of Members representing a Majority of the Votes of the Membership. A resolution adopting a proposed amendment may be proposed by Members holding a Majority of the Votes of the Membership by giving notice of the subject matter of a proposed amendment in the notice of any Meeting of the Association at which a proposed amendment may be considered. No amendment shall discriminate against any Member or against any Unit unless the Members so affected shall consent. No amendment shall change any Unit, nor the share in the Common Elements appurtenant to it, nor increase the Member's share of the Common Expenses, nor change the voting rights of the Members, unless the Unit Owner of the Unit concerned and all record owners of liens thereon shall join in the execution of the amendment giving their written approval. Any modification of these By-Laws that is approved by any of the means allowed by this Article VIII shall be certified by the appropriate officer and shall be effective upon recording in the public records of Davidson County.

ARTICLE IX

SUPREMACY

These By-Laws are set forth to comply with the requirements of the Horizontal Property Act, 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. In the event of a conflict among the By-Laws, Charter or Declaration, the Declaration shall control, followed by the Charter and then By-Laws.

Section 19.7 SUBROGATION. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Borrower's obligations hereunder, under the Note and the Other Loan Documents and the performance and discharge of the Other Obligations.

Section 19.8 ENTIRE AGREEMENT. The Note, this Security Instrument and the Other Loan Documents constitute the entire understanding and agreement between Borrower and Lender with respect to the transactions arising in connection with the Debt and supersede all prior written or oral understandings and agreements between Borrower and Lender with respect thereto. Borrower hereby acknowledges that, except as incorporated in writing in the Note, this Security Instrument and the Other Loan Documents, there are not, and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Note, this Security Instrument and the Other Loan Documents.

ARTICLE 20 -RELEASE PARCEL

Borrower may obtain the release (without any prepayment of Debt or other penalty or release fee other than the payment of expenses set forth below) from this Security Instrument, the Assignment of Leases and Rents and the UCC Financing Statements of that part of the Property, more particularly described on Exhibit B attached hereto (the "**Release Parcel**") upon satisfaction of each of the following conditions precedent:

(i) no Event of Default shall have occurred and be continuing, nor shall have there occurred any event which would, with the giving of notice or passage of time, or both, constitute an Event of Default;

(ii) the Property, after giving effect to the subdivision and conveyance of the Release Parcel, will (aa) comply with all zoning ordinances including without limitation those related to parking, lot size and density, or a variance with respect thereto shall have been obtained, (bb) be a separate tax parcel, and not be subject to any lien for taxes due or not yet due attributable to the Release Parcel, (cc) comply with all subdivision ordinances and regulations, and (dd) have the benefit of an appurtenant easement for utilities, parking and access on and across the Release Parcel in the form of the instrument attached hereto as Exhibit C;

(iii) receipt by Lender of endorsements to the title policy for the Property insuring each of the items set forth in clause (ii) above;

(iv) Borrower shall convey the Release Parcel, concurrently with the release, to an entity other than the Borrower;

EXHIBIT D

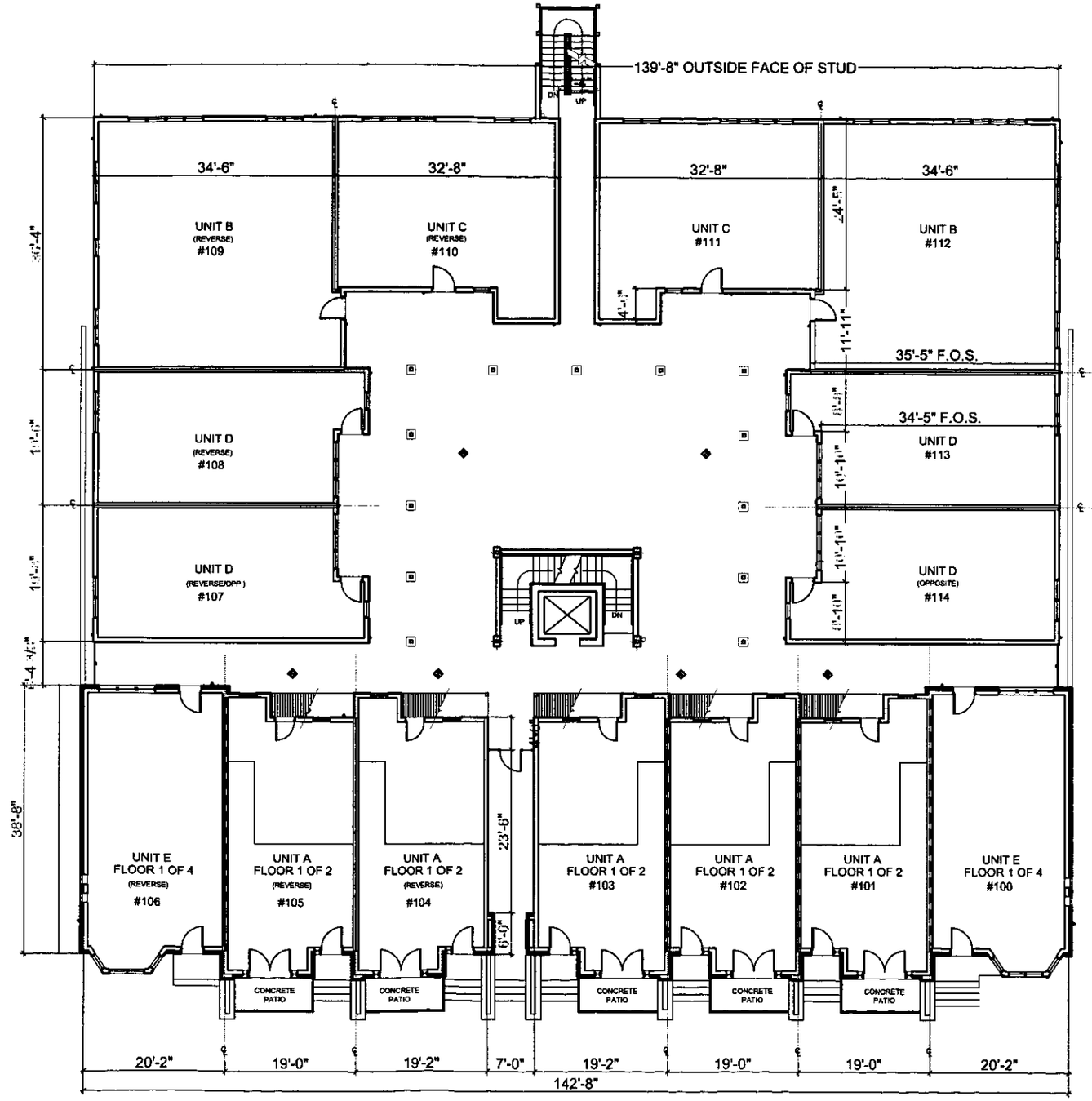
UNIT PROPORTIONATE SHARES

	Unit	Unit Square Footage	% Total
First	100	2,450	5.17%
Floor	101	1,392	2.94%
	102	1,392	2.94%
	103	1,392	2.94%
	104	1,392	2.94%
	105	1,392	2.94%
	106	2,450	5.17%
	107	736	1.55%
	108	736	1.55%
	109	1,283	2.71%
	110	868	1.83%
	111	868	1.83%
	112	1,283	2.71%
	113	736	1.55%
	114	736	1.55%
Second	207	736	1.55%
Floor	208	736	1.55%
	209	1,283	2.71%
	210	868	1.83%
	211	868	1.83%
	212	1,283	2.71%
	213	736	1.55%
	214	736	1.55%
Third	301	1,392	2.94%
Floor	302	1,392	2.94%
	303	1,392	2.94%
	304	1,392	2.94%
	305	1,392	2.94%
	307	736	1.55%
	308	736	1.55%
	309	1,283	2.71%
	310	868	1.83%
	311	868	1.83%
	312	1,283	2.71%
	313	736	1.55%
	314	736	1.55%
Fourth	407	853	1.80%

Floor	408	853	1.80%
	409	853	1.80%
	410	853	1.80%
	411	853	1.80%
	412	853	1.80%
	413	853	1.80%
	414	853	1.80%
TOTALS		47,382	100.00%

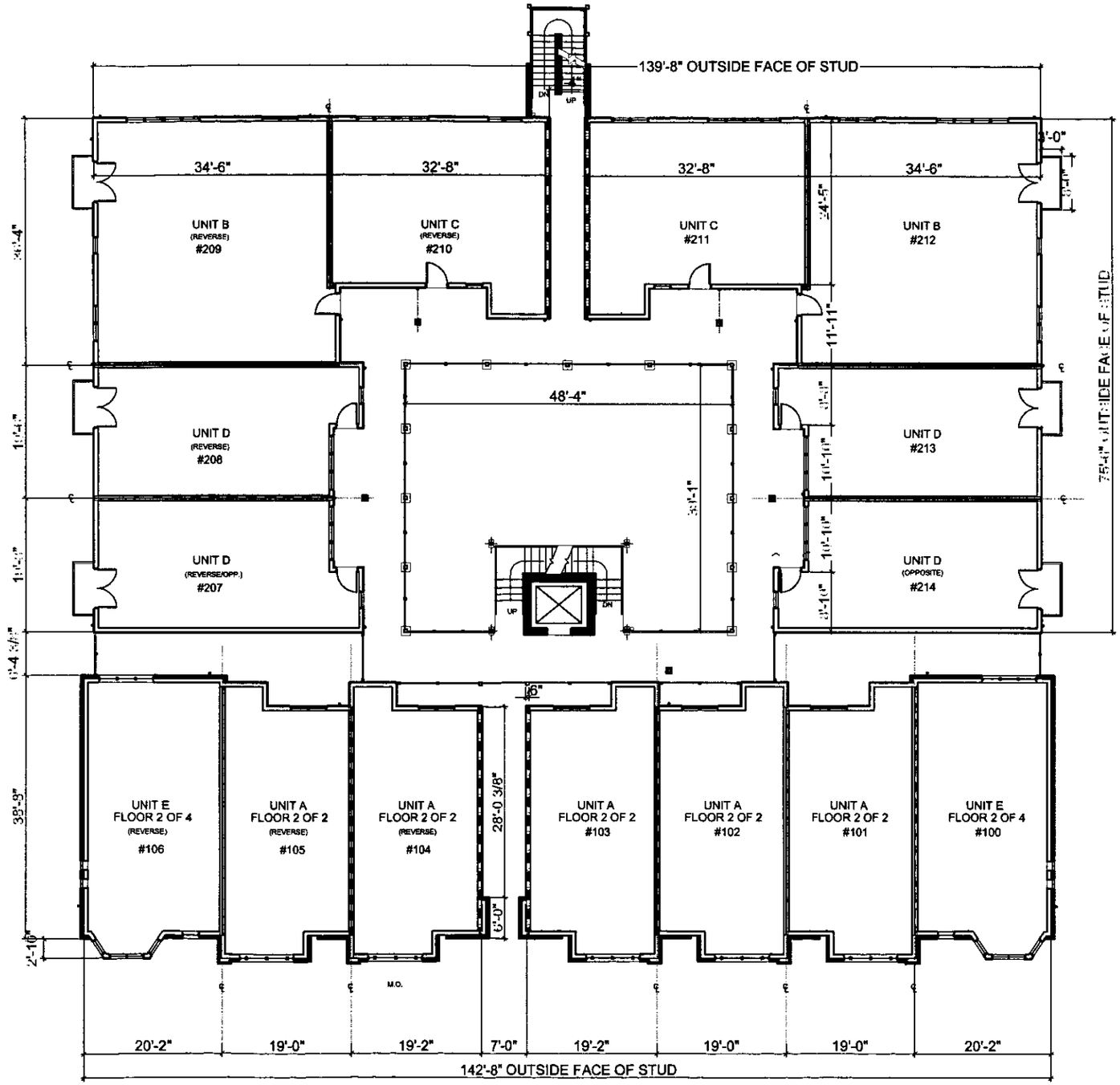
EXHIBIT E

PLAT



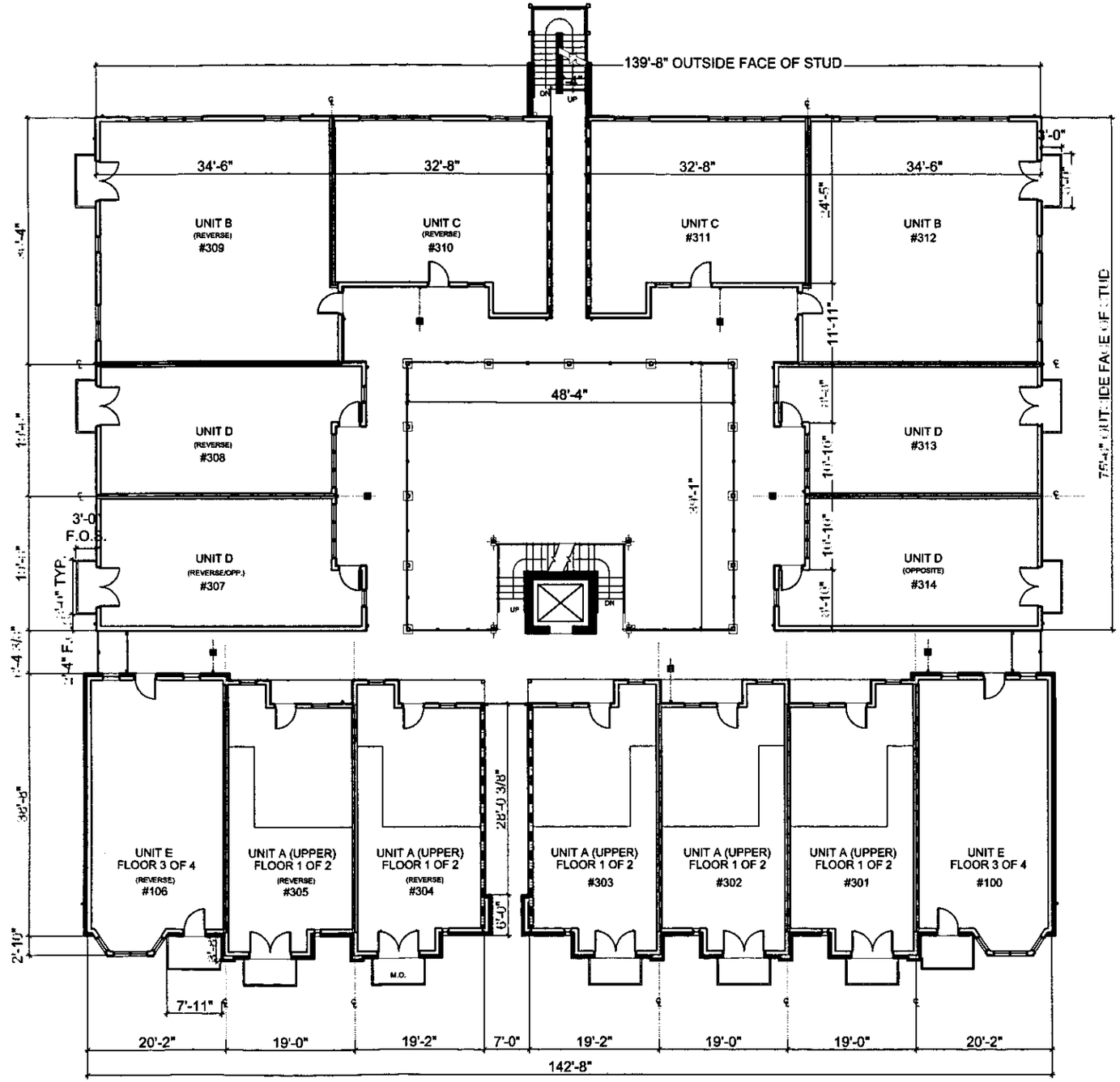
Floor to Floor Height: 11'-0"

SCALE 5'-0"



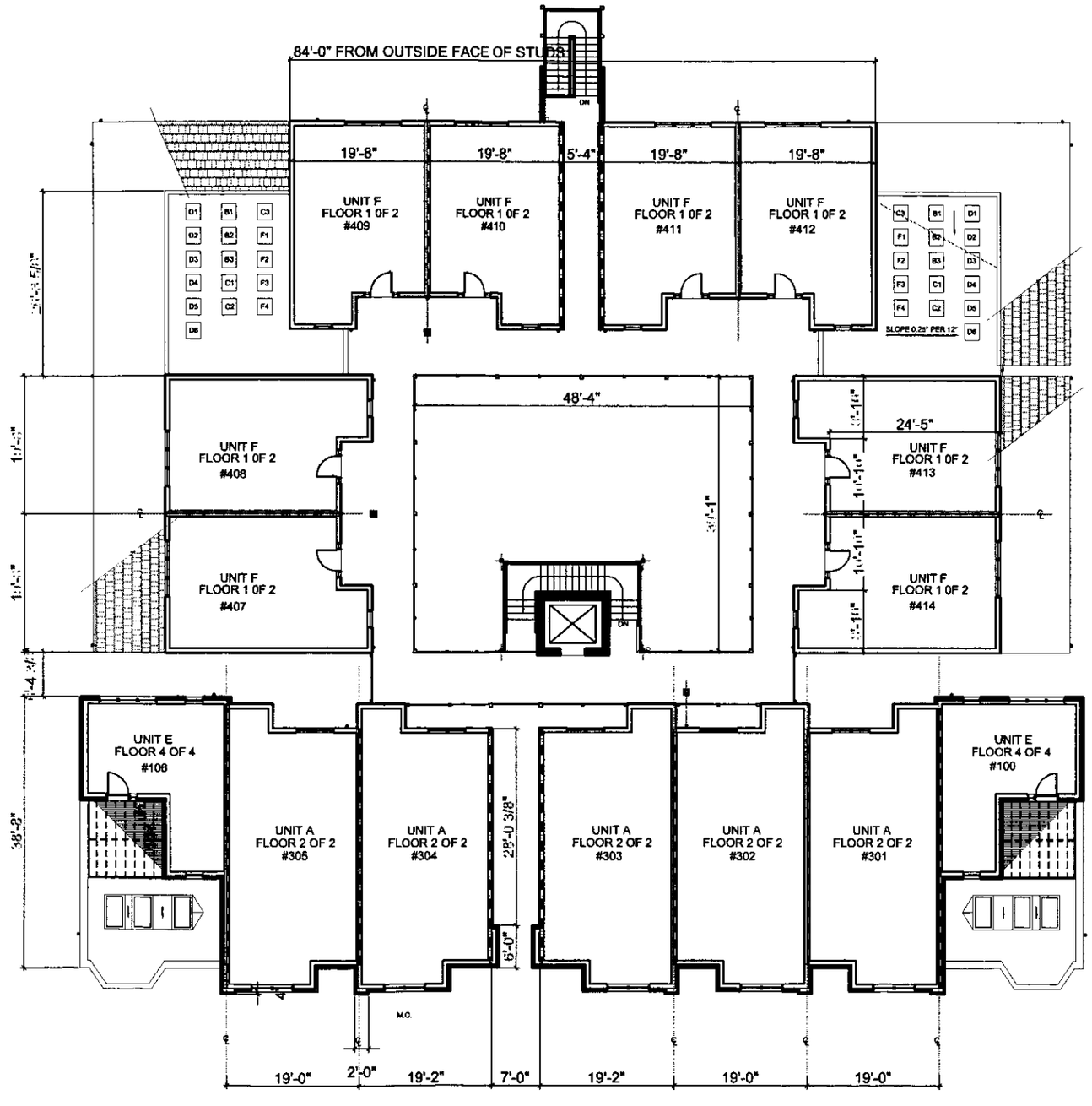
Floor to Floor Height: 11'-0"

SCALE 5'-0"



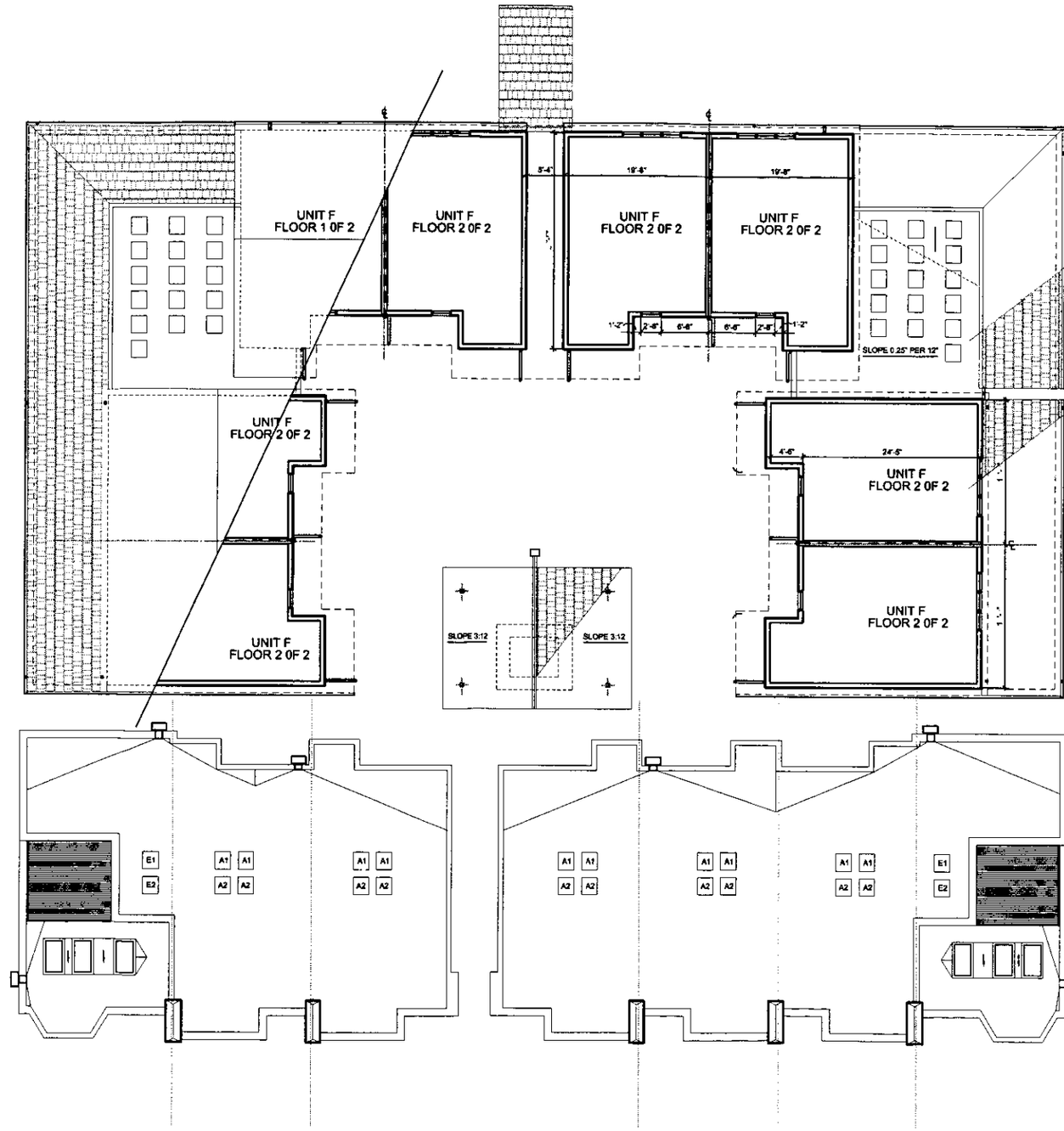
Floor to Floor Height: 11'-0"

SCALE 1/4" = 1'-0"



Floor to Floor
Height: 11'-0"

SCALE
5'-0"



Floor to Floor
Height: 11'-0"

SCALE
5'-0"