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MASTER DEED ESTABLISHING

THE QUARTERS CONDOMINIUMS

August 31, 2005

THIS INSTRUMENT PREPARED BY:
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Nashville, Tennessee 37203

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MASTER DEED ESTABLISHING

THE QUARTERS CONDOMINIUMS

THIS MASTER DEED is made as of the 31st day of August, 2005, by 178 2nd Avenue North, LLC, a Georgia limited liability company, hereinafter referred to as "Developer," for itself, its respective successors, grantees, and assigns,

W I T N E S S E T H:

1. SUBMISSION TO CONDOMINIUM OWNERSHIP.

(a) Developer hereby submits the land hereinafter described in Exhibit "A," and the improvements constructed thereon, to the condominium form of ownership and use, in the manner provided under the provisions of 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 "Condominium Act."

(b) The name by which this condominium is to be identified is "The Quarters Condominiums," hereinafter called the "Condominium."

(c) The address of the Condominium is 178 2nd Avenue, North, Nashville, Davidson County, Tennessee 37201.

(d) The land which is hereby submitted to the condominium form of ownership is fully described in Exhibit "A" hereto, which, by reference, is made a part hereof as fully as if copied herein. The improvements located on such land include, but are not limited to, the Building, sidewalks, paved parking areas and landscaping improvements. This land as more particularly described in Exhibit "A" shall hereafter be referred to as the "Land."

(e) The description and identification of the separate units is shown on the map of The Quarters Condominiums, which is attached hereto as Exhibit "D" (the "Plat").

2. DEFINITIONS.

The terms used herein and in the Bylaws, which are attached hereto as Exhibit "C," shall have the following meanings:

(a) Assessment means a share of the funds required for the payment of Common

Expenses and charges which from time to time may be assessed against each Unit Owner by the Association.

(b) Association means "The Quarters Condominium Owners' Association, Inc.", a Tennessee not for profit corporation, which is the entity responsible for the operation of the Condominium, and its successors. Copies of the Charter and the form of Bylaws of the Association are attached hereto, and made a part hereof as Exhibits "B" and "C," respectively.

(c) Building means the building containing Units.

(d) Commercial Use Unit means the Unit which is designated on the Plat as a Commercial Use Unit.

(e) Common Elements means all of the real property, improvements, and facilities of the Condominium, other than the Units (as the same are hereinafter defined) which shall include, but not be limited to, the following:

(1) Land;

(2) All foundations, exterior walls, load bearing walls, roofs, columns, girders, beams and supports;

(3) All gardens, plants, trees, yards and landscaping, if any;

(4) All parking area lights and parking areas; except that Developer (during the Developer Control Period) or the Association may designate specific parking spaces or areas as a Limited Common Elements for particular Units;

(5) Other space designed to serve the Condominium as a whole;

(6) All pipes, ducts, elevators and elevator shafts, electrical wiring and conduits and other utility installations (except pipes, ducts, electrical wiring and conduits and utility installations situated entirely within one Unit and serving only such Unit);

(7) Corridors, stairwells, passageways and the like not situated within a Unit;

(8) All personal property held and maintained for the joint use and enjoyment of all the Unit Owners, all assignable leases of personal property, and all assignable service contracts pertaining to the maintenance of the Common Elements;

(9) Easements through the Units and any Limited Common Elements allocated to any Unit for conduits, ducts, plumbing, wiring and other facilities for the furnishing or repair or expansion of utility service to Units and/or Common Elements;

(10) Easements of support in every portion of a Unit which contribute to the support of the Building in which the Unit is located, including easements for access to and repair of such elements of support;

(11) Easements for encroachments by the perimeter walls, ceilings and floors surrounding each Unit upon the Common Elements or any portion of the Common Elements upon the boundary of any Unit whether caused by the settlement of a Building or by minor inaccuracies in the Plat, or rebuilding any part of a Building, whether such encroachments now exist or hereafter may exist. All such easements shall continue until such encroachments shall cease to exist;

(12) Easements through or over the Units and any Limited Common Elements for the purpose of maintaining or repairing any portion of the Common Elements, any Limited Common Elements, or any Unit; and

(13) All other elements and improvements of the Land rationally of common use or necessary to the existence, upkeep and safety of the Condominium established by this Master Deed.

(f) Common Expenses means the following:

(1) Expenses of administration of the Condominium and the operations of the Association;

(2) Expenses of maintenance, operation, repair, or replacement of the Common Elements and Limited Common Elements;

(3) Expenses declared Common Expenses by provisions of this Master Deed or by the Bylaws; and

(4) Any valid charge against the Condominium as a whole.

(g) Developer means 178 2nd Avenue North, LLC, its successors and assigns, provided such successors and assigns are designated in writing by Developer as a successor or assign of the rights of Developer set forth herein.

(h) Developer Control Period means the period prior to the earlier of: (i) Four (4) months following the date on which seventy-five percent (75%) of the Units in the Condominium have been conveyed to Unit Owners other than the Developer, or (ii) Five (5) years after the date on which the first Unit has been conveyed to a Unit Owner other than the Developer.

(i) Eligible Mortgage Holders means those holders of a first mortgage on a Unit who have submitted a written request to the Association that the Association notify them on any proposed action requiring the consent of a specified percentage of Eligible Mortgage Holders.

(j) Limited Common Elements means a portion of the Common Elements allocated by this Master Deed for the exclusive use of one or more but fewer than all the Units.

(k) Parcel means any one or more tracts of real estate which comprise the Land.

(l) Residential Use Unit means each Unit other than the Commercial Use Unit..

(m) Unit ("Apartment" under the Condominium Act) shall mean a fee simple estate within the Building, as such area is identified, located and described on the Plat and as hereinafter set forth.

(1) The boundaries of each Unit shall be as follows:

(i) The upper boundary shall be the unfinished interior surface of its ceiling,

(ii) The lower boundary shall be the upper unfinished surface of its floors,

(iii) The vertical boundaries (measuring the horizontal area of a Unit) shall be the unfinished surfaces of its perimeter walls.

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

(i) All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, carpet, finished flooring and any other materials constituting any part of the finished surfaces of the upper, lower and vertical boundaries, excluding windows, as 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.

(ii) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, 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 subparagraph (ii), all spaces, interior partitions, or other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

(iv) All air conditioning and heating equipment, exterior doors, windows, storm windows and screens, 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.

In the event there is any question as to the allocation of any Limited Common Element, Developer retains the right to make such designation for a term of three (3) years after the recording of this Master Deed or until Developer assigns such right to the Association, whichever event first occurs.

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

3. COMMON ELEMENTS AND COMMON EXPENSE LIABILITY.

(a) Each Unit Owner shall own an undivided interest in the Common Elements, and shall be liable for payment of the percentage of Common Expenses equal to the percentage of the undivided interest in the Common Elements calculated by allocating proportional percentage interests based upon the square footage of each Unit to the total square footage of all Units; provided, however, that the Common Expenses incurred with respect to a Limited Common Element shall be paid by the Owners of the Unit or Units to which such Limited Common Element was assigned at the time the expense was incurred as provided in Paragraph 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 pertaining to such Unit even if such conveyance does not specifically refer to such undivided interests. A conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an undivided interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

(c) The Association is hereby granted permits, licenses, and easements over the Common Elements for utilities, roads, and other purposes necessary for the proper operation of the Condominium, including, without limitation, those easements set forth in Paragraphs 2.(e)(9)-(13).

4. MAINTENANCE AND ALTERATION OF UNITS/UNIT UTILITY SERVICE EXPENSE.

(a) The Association shall maintain, repair and replace the following with respect to Units:

(1) Any portions of a Unit which contribute to the support of the Building in which the Unit is located, which portions shall include, but not be limited to, load-bearing columns and load-bearing walls;

(2) All conduits, ducts, plumbing, wiring, and other facilities contained within a Unit which service part or parts of the Condominium other than the Unit within which contained.

(b) The Association is hereby granted all necessary easements of access for maintenance and repair of Units. All incidental damage caused to a Unit by such work shall be promptly repaired at the expense of the Association.

(c) Without limiting other provisions of this Master Deed, each Unit Owner shall:

(1) Clean, maintain, repair, and replace at its expense all portions of its Unit and any Limited Common Element(s) allocated to its Unit (except the portions to be cleaned, maintained, repaired and replaced by the Association) including, but not limited to, all built-in features, carpets, wall furnishings, all appliances, pipes, plumbing, fixtures, wires and conduits serving only its Unit;

(2) Not make any changes, decorations or alterations of its Unit that would affect the exterior appearance of any portion of the Building in which the Unit is located. Unit Owners shall not decorate the glass windows of their Units or otherwise change the appearance of the windows as viewed from the exterior of the Unit, except for drapes, curtains, or window treatments which must comply with the rules and regulations adopted by the Association; and

(3) Report promptly in writing to the Association any defect or need for repairs, the responsibility for which is that of the Association.

(d) Except as reserved herein to the Developer, neither a Unit Owner nor the Association shall make any alteration in the portions of a Unit or the Condominium which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Condominium, or impair any easement, without first obtaining both approval in writing of the owners of all Units in which such work is to be done, and the written approval of the Board of Directors of the Association. A copy of plans for all 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 of Directors of the Association. The time of performance of such work must be approved, in advance, by the Board of Directors of the Association, or its agent.

(e) If a Unit Owner fails to maintain and repair its Unit or any Limited Common Element allocated to such 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 ALTERATIONS OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

(a) The maintenance, operation and repair of the Common Elements and Limited Common Elements shall be the responsibility and the expense of the Association, except that each Unit Owner shall have the responsibility of maintaining and repairing those Limited Common Elements allocated to its Unit by the Association, or by this Master Deed.

(b) Except as reserved herein by Developer, there shall be no alteration or further improvement of the Common Elements without prior approval in writing by the owners of not less than sixty-seven percent (67%) of the total allocated vote of the Association, except as provided by the Bylaws, 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 interest in the Common Elements. There shall be no change in the shares and rights of a Unit Owner in the Common Elements which are altered or further improved.

6. ASSESSMENTS.

(a) Assessments against Unit Owners for Common Expenses shall be made pursuant to the Bylaws and shall be allocated as set forth in Paragraph 3 of this Master Deed, except any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed in equal shares against the Units to which that Limited Common Element was assigned at the time the expense was incurred.

(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 the maximum rate allowed under applicable laws and shall be subject to a late charge as may be adopted by the Association. Unpaid Assessments shall be a lien upon the Unit(s) to which they pertain. All payments upon account shall be first applied to late charges, then interest and then to the assessment payment first due.

(c) The lien for unpaid assessments provided by the Condominium Act and this Master Deed shall also accrue reasonable attorneys' fees and all costs of collection and/or enforcement 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 its 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 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 and/or enforcement, including reasonable attorneys' fees.

(f) A purchaser of a Unit at a foreclosure sale conducted pursuant to a first mortgage shall be liable only for assessments coming due after the date such sale is held and for the prorata portion of the assessment due for the month in which such sale is held.

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 grantees as required hereunder, the receipt of which is hereby acknowledged, and to secure the payment of Assessments, interest, late charges and attorneys' 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 prorata interest in the Common Elements.

(b) For the purpose of better and more effectually securing the Secured Charges, rendering unnecessary court proceedings for the enforcement of said lien in the event of the nonpayment of the Secured Charges, and for the consideration of One Dollar ($1.00) paid in cash, receipt of which is acknowledged, the Unit Owners, their respective heirs, successors, administrators, and assigns (hereinafter sometimes referred to, collectively, as "Trustors" and individually as "Trustor") hereby transfer and convey unto John M. Baird, Trustee, of Davidson County, Tennessee, his successors and assigns, their respective Units with the appurtenances, estates, titles and interests thereto belonging, upon the uses and trusts set forth in this Paragraph 7.

(c) Each Trustor agrees (i) to pay the Secured Charges attributable to its Unit when due, as provided in this Master Deed; (ii) to pay, discharge, or remove, any and all liens (except a first mortgage or deed of trust) which may be hereafter placed against its Unit and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; (iii) to comply with all of the terms and conditions of this Master Deed and Bylaws and all rules and regulations of the Association; and (iv) 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 Bylaws 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 those things, and the amounts so paid shall bear interest at the highest rate allowed under applicable law in effect from time to time from the date of payment and shall become a part of the Secured Charges secured hereby.

(d) If a Trustor shall pay the Secured Charges when due, then this trust conveyance shall be of no further force or effect with respect to such Trustor's Unit. If the Secured Charges with respect to any Unit are not paid promptly when due, this trust conveyance shall remain in full force and effect, and the Trustee, or his successor in trust, is hereby authorized and empowered, upon giving not less than twenty (20) days notice by three (3) publications in any newspaper, daily or weekly, published in Davidson County, Tennessee, to sell said Unit at the front door of the Davidson County Court House to the highest bidder for cash, at public outcry, free from the equity of redemption, the statutory right of redemption, homestead, dower and all

exemptions of every kind, all of which are hereby expressly waived; and the Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Association may bid at any sale under this trust conveyance. The Association may, at any time after default in the payment of any of the Secured Charges, enter and take possession of the Unit, 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 him by the Trustee of a deed for said property. In case of sale hereunder, the proceeds will be applied by the Trustee as follows:

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

(2) Second, to the payment of all taxes which are due but unpaid with respect to such Unit;

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

(4) Fourth, the residue, if any, will be paid to the Unit Owner of such Unit, its order, representatives or assigns;

(e) In the case of the death, absence, inability, or refusal to act of the 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 and rights herein conveyed to the above named Trustee shall be vested in said successor.

8. 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 holders of first mortgage liens on the 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 condominium 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 which accrue prior to the time such mortgagee takes title to 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 by law.

9. ASSOCIATION.

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

(1) The members of the Association shall be the Unit Owners, as set forth in the attached Bylaws.

(2) The Bylaws of the Association shall be in the form attached as Exhibit "C," as amended in accordance herewith.

(3) The Association shall be incorporated under a Charter in the form attached as Exhibit "B," as amended in accordance herewith.

(4) 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.

(5) Whenever the decision of a Unit Owner is required under any matter, whether or not the subject to 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.

(b) The Association shall maintain current copies of this Master Deed, the Charter, the Bylaws, and all rules and regulations concerning the Condominium, as well as its own books, records, and financial statements, all of which shall be available for inspection by Unit Owners or by holders, insurers, and guarantors of first mortgages that are secured by one or more Units. Each of these documents shall be available for inspection during normal business hours at the address of the Association for its manager.

(c) If the Condominium consists of fifty (50) or more Units, then the Association will make available to the holder, insurer, or guarantor of any first mortgage that is secured by a Unit, upon submission of a written request, an audited financial statement pertaining to the Association for its preceding fiscal year. Such an audited financial statement will be prepared for each of the Association's fiscal years and shall be made available for inspection not later than one hundred twenty (120) days after the end of each pertinent fiscal year. If the Condominium consists of fewer than fifty (50) Units, and there is no audited statement available, then the holder, insurer, or guarantor of any first mortgage secured by a Unit may, at its expense, have an audit of the books, records and financial statements of the Association prepared and delivered both to it and to such holder, insurer or guarantor.

(d) Association's Right to Purchase at a Foreclosure Sale. Upon the prior written consent or approval of Unit Owners owning not less than seventy-five percent (75%) of the total ownership of the Common Elements, the Association shall have the power and authority to purchase any Unit, or interest therein, at a sale pursuant to this Declaration, a mortgage

foreclosure, a foreclosure of the lien for Common Expenses or Assessments, or an order or direction of a court, or at any other involuntary sale.

(e) Financing of Purchase by Association. The Association shall have authority to make special assessments proportionately among the Unit Owners, and to arrange such other financing as the Association may deem desirable in order to consummate the purchase of a Unit by the Association; however, no such financing arrangement may be secured by an encumbrance on any interest in property other than the Unit to be purchased and the interest in the Common Elements appurtenant thereto.

(f) Miscellaneous.

(1) The Association shall hold or lease any Unit owned in the name of the Association, or a nominee thereof designated by the Association, for the benefit of all Unit Owners. The Association 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 such a Unit be sold for less than the amount paid by the Association to purchase the Unit, unless Unit Owners owning not less than seventy-five percent (75%) of the total ownership of the Common Elements first authorize the sale for such lesser amount.

(2) All notices referred to or required under this Paragraph 9 shall be given in writing by certified mail return receipt requested or by personal service.

(3) The Association may adopt rules and regulations, from time to time, not inconsistent with the provisions of this Paragraph 9, for the purpose of implementing and effectuating this paragraph.

10. INSURANCE.

(a) The Association shall maintain at least the following insurance coverage:

(1) Multi-peril, all-risk, fire and extended coverage insurance covering the entire Condominium, all improvements upon the Land, all buildings, all additions and extensions attached thereto, all appliances, fixtures, machinery and equipment constituting a permanent part of the Building whether located within or outside the boundaries of individual Units and whether such appliances, fixtures, machinery and equipment are owned in common or owned by an individual Unit Owner (excluding all improvements and additions to Units made by Unit Owners after the creation of the Condominium and personal property contents of the Units) and all personal property included in the Common Elements and Limited Common Elements. The multi-peril, all-risk policy purchased by the Association shall provide fire and extended coverage 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 Building. Each policy shall contain the following endorsements: Inflation Guard (if obtainable), Building Ordinance or Law, Guaranteed Replacement Cost, Agreed Amount, Steam Boiler and Machinery Coverage (if applicable). 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 endorsements, and such other risks as are customarily covered with respect to building similar to the Building. The multi-peril, all-risk insurance 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, after request, of a certified copy of the policy together with standard mortgagee endorsement clauses to the mortgagees of Unit Owners. Each policy shall waive rights of subrogation as between, or against, Unit Owners. To the extent that Unit Owners are covered by multi-peril, all-risk insurance policies purchased by the Association, or by themselves, they shall not be liable for damage caused by their acts, or negligent acts of others which cause damage to the Common Elements, Limited Common Elements, or another Unit.

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

(3) Worker's compensation as required by law;

(4) Directors and officers liability insurance in an amount determined by the Association, but not less than Two Hundred Fifty Thousand Dollars ($250,000.00) per occurrence; and

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

(b) The Association shall give each Unit Owner thirty (30) days written notice prior to making any change in the carrier, type of coverage, or policy limits of any insurance policy maintained by the Association.

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

"The Quarters Condominium Owners' Association for use and benefit of the Individual Unit Owners." Each policy shall contain, or have issued in connection therewith, a loss payable clause which shall provide any proceeds due shall be paid to the Association (or, if applicable, to the Insurance Trustee, as hereinafter defined), 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.

(d) All hazard insurance policies shall be written by a hazard insurance carrier which has an acceptable rating (as determined in accordance with applicable FNMA guidelines and requirements) by A.M. Best Company, Demotech, Inc., or Standard and Poor's, Inc

(including their respective successors). Deductibles shall not exceed the lesser of Ten Thousand and no/100ths Dollars ($10,000.00) or one per cent (1.00%) of the face amount of the policy. Funds to cover these deductibles shall be included in the operating reserve account of the Association,

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

(f) The Association is hereby irrevocably appointed agent for each Unit Owner to purchase insurance as described and set forth in subparagraph (a) 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.

11. RESPONSIBILITIES OF INSURANCE TRUSTEE.

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

(b) The duty of the Association and/or the Insurance Trustee shall be to receive insurance proceeds or condemnation awards paid as a result of casualty or condemnation, 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. The Association and/or the Insurance Trustee will act on behalf of each Unit Owner in connection with the settlement of any condemnation awards or insurance claims. An undivided share of such proceeds on account of damages to Common Elements (whether by casualty or condemnation) shall be allocated to the Unit Owners according to their ownership interest in the Common Elements set forth in Paragraph 3. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the named mortgagee and the Unit Owner as their interests may appear.

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

(d) Proceeds of insurance policies received by the Association, or by the Insurance Trustee, shall be distributed as follows:

(1) If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be expended as provided in Paragraph 13. 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 Units being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such

mortgagee.

(2) If it is determined, as provided in Paragraph 12, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the mortgagees of 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.

(3) In making distributions to Unit Owners and mortgagees, the Association and/or the Insurance Trustee may rely upon a certificate executed (i) by the Association as to the names of the Unit Owners, and (ii) by each of the mortgagees as to their respective shares of the distribution.

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

(a) If Common Elements are damaged, they shall be reconstructed or repaired, unless it is determined under Paragraph 20 of this Master Deed that the Condominium shall be terminated.

(b) If less than two-thirds (2/3) of the Building is damaged, then the damaged property shall be reconstructed or repaired, unless, within forty-five (45) days after the casualty, it is determined under Paragraph 20 that the Condominium shall be terminated.

(c) If more than two-thirds (2/3) of the Building is damaged and thereby rendered untenantable, then the damaged property will not be reconstructed or repaired, and the Condominium will be terminated under Paragraph 20, unless, within forty-five (45) days after the casualty, all the Unit Owners and Eligible Mortgage Holders holding mortgages on not less than fifty-one percent (51%) of the Units agree in writing to such reconstruction or repair.

(d) Any reconstruction or repair must be either (1) substantially in accordance with the plans and specifications for the original Building or (2) according to plans and specifications aesthetically compatible with the other Building and Common Elements in the Condominium prior to the damage and approved by the Association, which approval shall not be unreasonably withheld or delayed.

13. RESPONSIBILITIES AND PROCEDURES AS TO PAYMENT FOR REPAIRS.

(a) If damage occurs only to those parts of a Unit 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 may make such repairs and assess the Unit Owner for all expenses, together with a service fee of up to twenty percent (20%) 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 satisfy the estimated costs of reconstruction and repair, assessments shall be made against the Unit Owners who own the damaged property, and against all Unit Owners in the case of damage to Common Elements, in sufficient amounts to provide funds to pay the estimated costs. Additional assessments may be made at any time during or following the completion of construction. Such assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to Common Elements shall be in proportion to the Unit Owner's ownership interest in the Common Elements.

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

(e) Notwithstanding anything to the contrary herein contained, the Association has a right of entry into any Unit in order to perform emergency repairs or to do other work necessary for the maintenance of the Condominium.

14. USE RESTRICTIONS. The use of the Condominium shall be in accordance with the following provisions:

(a) The Commercial Use Unit may be used and occupied for any lawful purpose permitted by applicable zoning codes and ordinances; provided, however, that the Commercial Use Unit may not be used for the purpose of "adult entertainment" as defined in the Zoning Code for Metropolitan Nashville and Davidson County, as the same exists from time to time.

(b) Each of the Residential Use Units shall be occupied only by (i) a family or individuals, as a residence, or (ii) the guests or tenants of Unit Owners, as lodging, and for no other purpose.

(c) No Residential Use Unit may be divided or subdivided into a smaller Unit or Units, nor any portion thereof sold or otherwise transferred.

(d) 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.

(e) No use or practice shall be permitted on the Condominium which interferes with the peaceful possession and proper use of the Condominium by its occupants. **Nevertheless, each Owner, by acceptance and recording of a deed to its Unit, evidences and acknowledges its understanding and agreement that the Condominium is located in an urban setting,**

rather than in a suburban or pastoral setting, and that, accordingly, each Unit Owner expects to experience sounds, aromas, and other and similar circumstances and occurrences associated with an urban setting. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate, nor any fire hazard allowed to exist. No Unit Owner shall permit any use of its Unit, or of the Common Elements, which will increase the rate of insurance upon the Condominium. No immoral, improper, offensive, or unlawful use shall be made of the Condominium or any part thereof. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification, or repair of the Condominium shall be the responsibility of the person or entity responsible for the maintenance and repair of the property concerned.

(f) Reasonable rules and regulations concerning the use of the Condominium property (included, without limitation, the Units) may be made and amended from time to time by the Association in the manner provided by its Charter and Bylaws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit Owners and tenants of the Condominium upon request.

15. DEVELOPER'S UNITS AND PRIVILEGES.

(a) Notwithstanding anything herein to the contrary, the Developer is irrevocably empowered to sell, lease, or rent Units to any person approved by it. Developer shall have the right to transact, on the Land, any business necessary to consummate the sale or lease of Units, including, but not limited to, the right to post signs, maintain a sales office, to use the Common Elements and to show Units. Signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of Developer.

(b) Until Developer shall have sold all of the Developer's Units, neither the Unit Owners, nor the Association, nor the use of the Condominium property, shall interfere with the sale of those Units, and, so long as there are Units owned by the Developer, the Developer shall be Owner thereof under the same terms and conditions as other Unit Owners, save for the additional rights contained in this paragraph, including the privilege to vote and the duty to pay assessments on the Units so held.

(c) The Developer shall have the right, prior to the termination of the Developer Control Period, to grant and reserve easements and rights of way through, under, over and across the Land, and any part thereof, for construction purposes, and for the installation, maintenance, and inspection of the lines and appurtenances for public and private water, sewer, drainage, gas, electricity, telephone, and other utilities, and such other easements as the Developer deems necessary and/or proper for the construction, upkeep, and maintenance of improvements upon or constituting the Common Elements. At the conclusion of the Developer Control Period, this right shall automatically vest in the Association.

16. NOTICE OF MORTGAGE LIEN OR SUIT.

(a) A Unit Owner shall give notice to the Association of every lien upon its Unit within ten (10) days after the attaching of the lien.

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

(c) Failure to comply with this Paragraph 16 will not affect the validity of any mortgage or the enforcement thereof at any public or judicial sale.

17. COMPLIANCE, DEFAULT AND REMEDIES.

(a) By taking title to a Unit, each Unit Owner agrees to be, and shall be, governed by, and shall comply with, the terms of this Master Deed, the Charter, Bylaws and rules and regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. A default hereunder by a Unit Owner shall entitle the Association to the relief described in subparagraphs (b) and (c) of this Paragraph 17, in addition to any other remedies provided by the Condominium Act. Such a default shall entitle other Unit Owners to the relief described in subparagraph (b) of this Paragraph 17.

(b) A Unit Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by its act(s), neglect, or carelessness, or by that of any member of its family, or its or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment, of a Unit, or its appurtenances. In any proceeding arising because of an alleged default hereunder by a Unit Owner, the party substantially prevailing in obtaining the relief sought shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

(c) In the event of any violation of the provisions of the Act, this Master Deed, Bylaws, or rules and regulations of the Association by any Unit Owner (either by its own conduct or by the conduct of any occupant of its Unit), the Association, or its successors or assigns, shall have each and all of the rights and remedies which may be provided for in the Condominium Act, this Master Deed, Bylaws, or said rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as provided hereinafter in this subparagraph (c), or for any combination of remedies, or for any other relief. All expenses of the Association in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon

at the highest rate allowed by applicable law, until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective shares of the Common Expenses, and the Association shall have a lien for all of the same, as well as for nonpayment of Common Expenses, 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 the Unit Owner's personal property in his Unit or located elsewhere on the Land; provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit, to the extent hereinabove set forth in Paragraph 8 hereof. In the event of any such default by any Unit Owner, the Association and the Manager or Managing Agent, if so authorized by the Association, shall have the authority to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association.

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

(1) to enter the Unit, or any portion of the Condominium upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Association, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass;

(2) to enjoin, abate or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any breach; or

(3) to take possession 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) If any Unit Owner (either by its own conduct or by the conduct of any other occupant of its Unit) shall violate the Condominium Act, or any of the covenants, restrictions or provisions of this Master Deed, the Bylaws, or the rules and regulations adopted by the Association, and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Association, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Association, then the Association shall have the power to issue to the defaulting Unit Owner a notice in writing terminating the rights of that Unit Owner to continue as a Unit Owner and to occupy, use, or control its Unit, and thereupon an action in equity may be filed by the Association against said defaulting Unit Owner for a mandatory injunction against such defaulting Unit Owner or occupant, or in the alternative, for a decree declaring the termination of that Unit Owner's right to occupy, use, or control its Unit on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in such Unit and its interest in the Common Elements be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the

said defaulting Unit Owner from reacquiring the interest at such judicial sale. The proceeds of any judicial sale shall first be paid to discharge court costs, court reporter's charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in the decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, or any liens, shall be paid to the defaulting Unit Owner. Upon the confirmation of the sale, the purchaser shall 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. 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.

(f) The failure of the Association or any Unit Owner to enforce any covenant, restriction, or other provision of the Condominium Act, this Master Deed, the Charter, the Bylaws, or the regulations adopted pursuant thereto, shall not constitute a waiver of any such covenant, restriction or provision or of the right to demand enforcement at a later time.

(g) Notwithstanding any term or provision of this Paragraph 17, the Association shall obtain the written consent of a majority of the members prior to the Association's exercise of any of the remedies provided in this Paragraph 17 to terminate the rights of a Unit Owner to occupy, use or control the Unit owned by it, other than for non-payment of Assessments.

18. LEASE AND TRANSFER OF A UNIT; NOTICE TO ASSOCIATION.

(a) Leases. A true and complete copy of every lease, rental, or other agreement for the occupancy of a Unit (a "Unit Lease") shall be furnished to the Association before the tenant takes occupancy thereunder. Every Unit Lease shall be in writing and shall provide that the lessee thereunder shall be bound by and subject to all of the obligations of and restrictions upon the Unit Owner under this Master Deed, the Bylaws and the rules and regulations of the Association. A copy of those rules and regulations shall be attached to each Unit Lease and shall be delivered by the Unit Owner to the lessee. The Unit Owner making a Unit Lease shall not be relieved from any of its obligations under this Master Deed. The Association may require that a Unit Owner which leases its Unit place on deposit with the Association such reasonable sums as the Association may require to be used as an indemnity against loss or damage to the Common Elements which might be caused by such Unit Owner's lessee. The terms of the indemnity shall be satisfactory to the Association. The Association shall furnish the Unit Owner a written notice to make the deposit. If the Unit Owner fails to comply with the terms of the notice within ten (10) days from the date the notice is mailed to it, the Association at its option, may elect to terminate the Unit Lease. The Association shall give Unit Owner and its lessee written notice of such election. Within ten (10) days after that notice is mailed to the Unit Owner's last known address, or within ten (10) days after that notice is delivered to the Unit subject to the Unit Lease, whichever shall last occur, the lessee shall vacate the Unit and Unit Owner shall take such further action as may be necessary to insure that the lessee vacates the Unit.

(b) Notice of Transfer of Unit. Whenever a Unit Owner proposes to sell, give, devise, or otherwise transfer its 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. Failure to give such notice shall not affect the validity of the transfer.

19. AMENDMENTS.

(a) Developer may, but shall not be obligated to, incorporate any or all of the Additional Property (as defined in Paragraph 21 hereof) into the Condominium pursuant to Paragraph 21 hereof. The annexation of any or all of the Additional Property shall be accomplished by the unilateral execution by Developer, and recording, of an amendment to this Master Deed setting forth the additional real property to be brought within the provisions of this Master Deed and reciting that it should be held and conveyed subject to the provisions hereof as an additional part, or phase, of the Condominium. Notwithstanding the other provisions of this Master Deed, neither this Paragraph 19(a) nor Paragraph 21 may be amended without the consent of Developer.

(b) This Master Deed may be otherwise amended in the following manner:

(1) A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting of the Association at which the proposed amendment is to be considered.

(2) Directors and members not present in person or by proxy at the meeting in which the amendment is considered may express their approval in writing, providing such approval is delivered to the Association at or prior to the meeting. The proposed amendment must be approved by not less than sixty-seven percent (67%) of the votes of the membership of the Association eligible to vote in order for the proposed amendment to be adopted.

(c) Notwithstanding the foregoing, amendments of a material nature must be approved by Unit Owners who represent at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders. A change to any of the provisions governing the following will be considered an amendment of a material nature:

(1) voting rights;

(2) increases in Assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or the priority of assessment liens;

(3) reductions in reserves for maintenance, repair, and replacement of Common Elements;

(4) responsibility for maintenance and repair;

(5) reallocations of interests in the Common Elements or Limited Common Elements, or rights to their use;

(6) redefinition of any Unit boundaries;

(7) convertibility of Units into Common Elements or vice versa;

(8) expansion or contraction of the Condominium, or the addition, annexation, or withdrawal of property to or from the Condominium other than as provided in Paragraph 19(a) and/or Paragraph 21 hereof;

(9) hazard or fidelity insurance requirements;

(10) imposition of any restrictions on leasing of Units;

(11) imposition of any restrictions on a Unit Owner's right to sell or transfer its Unit;

(12) a decision by the Association that consists of fifty (50) or more Units to establish self-management if professional management had been required previously by this Master Deed, the Charter, or the Bylaws, or by an Eligible Mortgage Holder;

(13) restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in this Master Deed; or

(14) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

The approval of an Eligible Mortgage Holder to a proposed amendment may be assumed if that Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

(d) Notwithstanding the foregoing, an amendment which alters the permitted uses of the Unit on a Commercial Use Floor, changes the designation of all or part of a floor within the Building from its original designation as either a Commercial Use Floor or a Residential Use Floor, modifies the provisions of Paragraph 14 or any subparagraph therein, or modifies the provisions of Paragraph 18(c), must be approved not only by Unit Owners who represent at least 67% of the total allocated votes of the Association and by Eligible Mortgage Holders who represent at least 51% of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders, but also by the Owners of the Unit(s) which will be affected by the amendment.

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

20. TERMINATION. The Condominium may be terminated as follows:

(a) In the event it is determined under Paragraph 12(c) that damaged property shall not be reconstructed because of substantial loss in accordance with T.C.A. § 67-27-118 as amended, the Condominium shall be terminated.

(b) The Condominium may be terminated in accordance with T.C.A. § 66-27-109 at any time after obtaining the prior approval in writing of all Unit Owners, and by all record owners of encumbrances on the Units.

21. OPTION TO EXPAND THE CONDOMINIUM.

(a) Developer hereby explicitly reserves an option, until the seventh anniversary of the recording of this Master Deed , to expand the Condominium from time to time without the additional consent of any Unit Owner or any mortgagee by adding one or more of the parcels or properties described on Exhibit "E" attached hereto (the "Additional Property"). The option to expand may be terminated prior to such anniversary only upon filing by Developer of an amendment to this Master Deed so stating. Developer reserves the right to add any or all of the Additional Property at any time, at different times, without limitation, provided that each portion of the Additional Property which is added to the Condominium must be contiguous to a Building in the Condominium. All improvements intended to be added to the Condominium with any portion of the Additional Property shall be (i) substantially completed prior to annexation, and (ii) consistent with (but not necessarily identical to) those initially covered by this Master Deed, bith in structure type and quality of construction. As part of each expansion, Developer may create easements between the Property and the Additional Property (or any part of either) of the type described in Paragraphs 2.(e)(9)-(13) and, to the extent permitted by applicable laws and building, safety and fire codes, create passageways between buildings in order to connect corridors, stairwells and passageways. There are no other limitations on the option to expand except as set forth in this Paragraph 21. By the acceptance and recording of a deed to its Unit, each Unit Owner will be deemed (i) to have consented to the actions permitted in this Paragraph 21 and (ii) to have granted to Developer an irrevocable power of attorney granting to Developer the right and authority to execute on behalf of such Unit Owner, and to record, any amendments to this Master Deed, the Plat, or any other documents, either necessary or desirable to expand the Condominium; provided, however, that such amendments and/or documents must not be inconsistent with either this Master Deed or T.C.A. § 66-27-107, as amended.

(b) At such time as the Condominium is expanded, the maximum number of Units on the Land will not exceed the number permitted by applicable law. No assurances are made by Developer as to the size or type of Units that may be created in the future on the Land following inclusion of any portion of the Additional Property. The allocation of Common Element interests after any expansion of the Condominium shall be recomputed according to the requirements of Paragraph 3(a).

22. FURTHER ASSURANCES FOR FIRST MORTGAGEES. In addition to all other rights as may be provided herein or in the Condominium Act, the following provisions shall be

complied with regarding the Condominium:

(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 Paragraph 18 relating to the rights of the Association upon transfer of a Unit. Specifically, and without limitation upon the above provisions of subparagraph (a), the Master Deed, the Bylaws, or any other of the Condominium's constituent documents shall not impair the rights of a first mortgagee to:

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

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

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

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

(c) No interpretation shall be given to this Master Deed or any of the other Condominium constituent documents which 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.

(d) Except for the initial Management Agreement referred to in Paragraph 23 of this Master Deed, if any, and any renewals thereof, any agreement for professional management of the Condominium, or any other contract providing for services by Developer, shall comply with the following:

(1) No such agreement shall have a term greater than three (3) years;

(2) Any such agreement must provide for termination by either party without cause and without payment of a termination fee on not less than ninety (90) days written notice.

(e) The Association, upon receiving notification from an Eligible Mortgage Holder shall provide notice in writing to such Eligible Mortgage Holder, or to such other entity as it may direct, of any loss to, or taking of, the Common Elements of the Condominium if such loss or taking exceeds Twenty Thousand Dollars ($20,000.00), or damage to a Unit covered by such mortgage if such loss or taking exceeds Two Thousand Dollars ($2,000.00).

(f) Eligible Mortgage Holders shall have the right, upon written request, to receive written notice from the Association of any lapse, cancellation or material modification of any insurance policy maintained by the Association.

(g) Eligible Mortgage Holders shall also have the right, upon written request, to receive written notice from the Association of any proposed action which requires the consent of a specified percentage of mortgage holders.

23. PROFESSIONAL MANAGEMENT. The Association may enter into a management contract with a professional property management company ("Managing Agent") for the professional management of the Condominium. The management contract shall have an initial term of one (1) year, and shall grant to the Association the unilateral option to renew such contract for a period of two (2) additional years. Both the Association and the Managing Agent shall have the right to terminate the management contract at any time, without or without cause, upon not less than ninety (90) days prior written notice to the other. No termination fee shall be required of either party upon the giving of such notice. The fees charged by the Managing Agent for its management services shall at all times be reasonable in comparison with the fees charged for similar services in the Nashville-Davidson County, Tennessee, area.

24. SPECIAL SERVICES FOR NON-OWNER OCCUPIED UNITS. The Association shall have the right to offer special services to the Unit Owners of all non-owner occupied Units. These services shall include showing and leasing Units, and arranging for interior maintenance and repair work to be performed at the cost of the Unit Owner. These services will be optional to the Unit Owners and may be canceled with respect to any Unit Owner upon written notice by the Unit Owner to the Association. The fees for these services shall be set by the Association.

25. NON-LIABILITY OF THE DEVELOPER, DIRECTORS AND OFFICERS OF THE ASSOCIATION. The Developer, and the directors and officers of the Association shall not be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Developer, director or officer, except for any acts or omissions found by a Court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each of the directors, officers, and Developer, and their respective heirs, executors, administrators, successors and assigns, in accordance with the provisions of Paragraph 8 of the Bylaws.

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

IN WITNESS WHEREOF, 178 2nd Avenue North, LLC, as owner of the real estate herein described has executed this Master Deed as of August __, 2005.

178 2ND AVENUE NORTH, LLC, a
Georgia limited liability company

By: _____

Title: Co-Chief Manager

STATE OF GEORGIA)
COUNTY OF Cobb)

Before me, Pamela D. Croft, a Notary Public in and for the County and State aforesaid, personally appeared C. Eugene Gilbert, with whom I am personally acquainted, and who upon oath acknowledged himself to be Co-Chief Manager, of 178 2nd Avenue North, LLC, the within named bargainor, and that he as such Co-Chief Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as Co-Chief Manager.

Witness my hand and seal, at office in Cobb County, Georgia this 18th day of August, 2005.

_____
Notary Public

My Commission Expires:

12-14-2008

PAMELA D. CROFT
NOTARY PUBLIC
COBB COUNTY, GEORGIA
MY COMMISSION EXPIRES
DEC. 14 2008

SUBORDINATION AND JOINDER OF MORTGAGEE

For value received, Pinnacle National Bank, as owner and holder of indebtedness secured by deed of trust of record as Instrument No. 20040826-0103534, Register's Office for Davidson County, Tennessee (as amended, modified, and/or supplemented, the "Deed of Trust") hereby joins in submitting the land encumbered by the Deed of Trust to the Horizontal Property Regime created by this Master Deed. The lien of the Deed of Trust and all of its provisions shall be subordinate to the provisions of this Master Deed; provided, however, that the lien created by the Deed of Trust shall remain prior and superior to the liens provided in Paragraphs 6 and 7 of this Master Deed.

PINNACLE NATIONAL BANK

By: _____

Title: SVP

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, Jane S. Hollingsworth, a Notary Public in and for the County and State aforesaid, personally appeared Gerald M. Hampton, with whom I am personally acquainted, and who upon oath acknowledged himself to be SVP, of Pinnacle National Bank, the within named bargainor, and that he as such SVP, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Pinnacle National Bank by himself as SVP.

Witness my hand and seal, at office in Nashville, Tennessee, this 31st day of August 2005.

Jane S. Hollingsworth
Notary Public

My Commission Expires:

11-22-08

JANE S. HOLLINGSWORTH
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY

INDEX OF EXHIBITS

Exhibit "A"	Legal Description
Exhibit "B"	Charter of The Quarters Condominium Owners' Association, Inc.
Exhibit "C"	Bylaws of The Quarters Condominium Owners' Association, Inc.
Exhibit "D"	Plat
Exhibit "E"	Additional Property

EXHIBIT "A"

Land in Davidson County, Tennessee, being part of Lot No. 12 on the Original Plan of the town of Nashville, not of record, described as follows:

Beginning on the easterly margin of 2nd Avenue North, formerly Market Street, 75 feet and 4 inches southerly from the southerly margin of Church Street, being the southwest corner of 19 feet of ground conveyed by R.L. Weakley to J.P. Drouillard, by deed recorded in Book 75, page 370, Register's Office for said County; thence with the easterly margin of Market Street, southerly 38-3/4 feet, more or less, to the line between this property and that formerly owned by B. Lanler, as established by a conveyance of record in Book 26, page 570, said Register's Office; thence with said line easterly 211 feet, more or less, to the westerly margin of 1st Avenue North, formerly Water or Front Street, thence with said margin, northerly 38-3/4 feet, more or less, to Drouillard's southeast corner; thence with said Drouillard's southerly line, westerly 211 feet, more or less, to the beginning.

Being the same property conveyed to 178 2nd Avenue North, LLC by deed from Grayson Corporation, of record as Instrument No. 20040826-0103533, Register's Office for Davidson County, Tennessee.

EXHIBIT B
CHARTER

OF

THE QUARTERS CONDOMINIUM OWNERS' ASSOCIATION, INC.

The undersigned, 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 THE QUARTERS CONDOMINIUM OWNERS' ASSOCIATION, INC.

2. The corporation is a mutual benefit corporation.

3. The street address of the initial registered office of the corporation is 3102 West End Avenue, Suite 1150, Nashville, Davidson County, Tennessee 37203, and the initial registered agent for the corporation at that office John M. Baird.

4. The name and address of the incorporator is:

John M. Baird
3102 West End Avenue, Suite 1150
Nashville, Davidson County, Tennessee 37203

5. The street address of the initial principal office of the corporation is 3102 West End Avenue, Suite 1150, Nashville, Davidson County, Tennessee 37203.

6. The corporation is not for profit.

7. The corporation shall have members. The members of the corporation shall be the owners of condominium units at The Quarters Condominiums, a horizontal property regime formed (or to be formed) in Nashville, Davidson County, Tennessee. Upon the conveyance or transfer of a condominium unit, the new owner or owners shall succeed to the former unit owner's or owners' membership, and the membership of the former unit owner or owners shall terminate.

8. To the extent allowed by the laws of the State of Tennessee, no present or future director of the corporation (or his or her estate, heirs or personal representatives) shall be liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director of the corporation. Any liability of a director (or his or her estate, heirs or personal representatives) shall be further eliminated or limited to the fullest extent allowed by the laws of the State of Tennessee, as may hereafter be adopted or amended.

9. With respect to claims or liabilities arising out of service as a director or officer of the corporation, the corporation shall indemnify and advance expenses to each present and future director and officer (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

10. The purposes for which the corporation is organized are: to operate a condominium owners association solely to provide for the acquisition, construction, management, maintenance and care of association property and the property of the members of the association; and generally to engage in any other lawful endeavor or activity in furtherance of the foregoing, so long as such endeavor or activity does not prevent the corporation from being, or maintaining its status as, a homeowners association as defined by Section 528(c)(1) of the Internal Revenue Code of 1986, or corresponding section of any future federal income tax code.

11. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors, officers, members or other private individuals or persons, except that the corporation shall be authorized and empowered to:

(a) pay reasonable compensation for goods and services rendered,

(b) rebate excess membership dues, fees or assessments, and

(c) make payments in furtherance of the purposes set forth in the paragraph just above.

12. Upon dissolution, after all creditors of the corporation have been paid and any excess membership dues, fees or assessments have been rebated, its assets shall be distributed to another nonprofit corporation having the same or similar purposes or, if such a corporation cannot be found, then to the State of Tennessee.

DATED as of the 21st day of July, 2005.

John M. Baird, Incorporator

EXHIBIT "C"

BYLAWS OF
THE QUARTERS CONDOMINIUM OWNERS' ASSOCIATION, INC.

1. Identity.

(a) These are the Bylaws of the Quarters Condominium Owners' Association, Inc. (the "Association"), a corporation not for profit, incorporated under the laws of the State of Tennessee, the Charter of which was filed in the Office of the Secretary of State of Tennessee on July 25, 2005, and is of record in that office under Request Number 5508-1704, and is also of record in the Office of the Register of Davidson County, Tennessee, as Instrument Number 20050725-0086313.

(b) The Association has been organized for the purpose of administering a horizontal property regime (the "Condominium") established by a Master Deed of record as Instrument Number _____, Register's Office of Davidson County, Tennessee, herein called the "Master Deed," pursuant to Title 66, Chapter 27, Sections 101 et seq., as amended, Tennessee Code Annotated (the "Condominium Act"). The Condominium is identified by the name The Quarters Condominiums.

2. Members. The members of this Association shall be 178 2nd Avenue North, LLC, a Georgia limited liability company ("Developer") and all subsequent Unit Owners in the Condominium.

3. Meeting of Members.

(a) The members of the Association shall have an annual meeting. The first annual meeting of the members shall be held, at the office of the Association or other place to be designated by the Board of Directors, on December _____, 2005, at 7:00 o'clock p.m. or at such other time designated by the Board of Directors. Thereafter, the annual meeting of members shall be held on the second (2nd) Tuesday in each December at 7:00 p.m., or as otherwise scheduled by the Board of Directors.

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

(c) Notice of each members' meeting, stating the time and place, and at least a general description of the objects for which the meeting is called, shall be given by the President, Vice-President or Secretary. Such notice shall be in writing to each member at his or her address as it appears on the books of the Association, and shall be mailed postage prepaid not less than ten (10) days, nor more than sixty (60) days, prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of any meeting

may be waived by any member before or after the meeting.

(d) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting for at least ten (10) days, and adequate notice of the new date shall be given as described in subparagraph (c) of this Paragraph 3.

(e) The aggregate number of votes for all Unit Owners shall be equal to the number of Units and one (1) vote shall be allocated to each Unit.

(f) If a Unit is owned by one (1) person, his or her right to vote shall be established by the record title to his or her Unit. If a Unit is owned by more than one (1) person, then the person entitled to cast the vote for he Unit must be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, partnership, limited liability company or other entity, then the person entitled to cast the vote for the Unit shall be designated by a certificate of the Unit Owner of that Unit in form reasonably acceptable to the Board of Directors and filed with the Secretary of the Association. Such certificates shall be valid until revoked or superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote of a Unit may be revoked by any Unit Owner at any time.

(g) Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote, but must be in writing and signed by the person, or persons, authorized to vote. They shall be valid only for the particular meeting designated and must be filed in form reasonably acceptable to the Board of Directors with the Secretary before the appointed time of the meeting.

(h) The presence of a quorum is required at members' meetings to adopt decisions, except where approval by a greater number of members is required by the Master Deed, Charter, or these Bylaws.

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

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

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

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

(4) reading and disposal of any unapproved minutes;

(5) reports of officers;

(6) reports of committees;

(7) election of Directors;

(8) unfinished business;

(9) new business; and

(10) adjournment.

4. Directors.

(a) The affairs of the Association shall be managed by a Board of Directors. Until the conclusion of the Developer Control Period (as defined in the Master Deed), the initial Board of Directors shall consist of Robinson Callen, C. Eugene Gilbert, C. Ansley Williams, and Harold R. Reynolds. The Developer may, but shall not be obligated to do so, appoint an Advisory Board of Directors, consisting of three (3) Unit Owners during the term of the initial Board of Directors. Such Advisory Board shall have no authority to manage the affairs of the Condominium, but may, upon invitation, meet with the Board of Directors from time to time. After the Developer Control Period the Board of Directors shall consist of three (3) persons, all of whom shall be Unit Owners, or, in the event any Unit shall be owned by a partnership, corporation, limited liability company or fiduciary, such person shall be a partner, an officer of the company, the fiduciary, or an officer of the fiduciary, as the case may be. The initial Board of Directors shall serve without compensation. Thereafter, the compensation, if any, of the Directors shall be as fixed by the vote of a majority of the Unit Owners.

(b) At the first meeting of the members of the Association following the Developer Control Period, three (3) persons shall be elected to serve as the Board of Directors. The term of office of those elected shall be two (2) years. The election shall be by ballot and by a plurality of the votes cast, each member voting must cast his or her vote(s) for as many nominees as there are vacancies to be filled, but there shall be no cumulative voting.

(c) Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors until the earlier of (i) the next annual meeting of the members, and (ii) the date of a special meeting called pursuant to these Bylaws for the purpose of filling the vacancy, at which time a Director shall be elected to fill the remaining term of any such vacancy.

(d) After the conclusion of the Developer Control Period, any Director may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a properly called special or general meeting of the members. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

(e) In the event of vacancies on the Board of Directors during the Developer Control Period, the remaining Directors shall fill the vacancies, and, if there are no remaining

Directors, the vacancies shall be filled by designation of the Developer.

5. Directors' Meetings.

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

(b) Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, at least three (3) business days prior to the day named for such meeting.

(c) Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of any two (2) of the Directors. Notice of the meeting shall be given personally or by mail, telephone, or telegraph at least three (3) business days prior to the day named for such meeting, which notice shall state the time, place, and purpose of the meeting.

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

(e) A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Master Deed, Charter, or these Bylaws. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

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

(g) The order of business at Directors' meeting shall be

(1) calling of roll;

(2) proof of due notice of meeting;

(3) reading and disposal of any unapproved minutes;

(4) reports of officers and committees;

(5) election of officers (if necessary);

(6) unfinished business;

(7) new business; and

(8) adjournment.

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

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

6. Powers and Duties of the Board of Directors.

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

(1) To elect and remove the officers of the Association;

(2) To administer the affairs of the Association and the Condominium property;

(3) To engage the services of an agent, hereinafter sometimes called the "Managing Agent," to maintain, repair, replace, administer and operate the Condominium or any part thereof, for all the Unit Owners upon such terms and for such compensation and authority as the Board of Directors may approve;

(4) To formulate policies for the administration, management and operation of the Condominium and the Common Elements;

(5) To adopt rules and regulations, with written notice thereof to all

Unit Owners, governing the administration, management, operation and use of the Condominium property and the Common Elements, and to amend such rules and regulations from time to time;

(6) To provide for the maintenance, repair and replacement of the Common Elements and Limited Common Elements as required by the Master Deed, to make payments therefor, and to approve payment vouchers or to delegate such approval to the Managing Agent;

(7) To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Condominium property and the Common Elements, and to delegate any such power to the Managing Agent (or any employees of the Managing Agent);

(8) To appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board of Directors;

(9) To determine the fiscal year of the Association and to change said fiscal year from time to time as the Board of Directors deems advisable;

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

(11) To borrow money in the name of the Association for the purpose of repair or restoration of Common Elements without the approval of the members of the Association;

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

(13) Unless otherwise provided herein or in the Master Deed, to comply with the instructions of a majority of Unit Owners as expressed in resolutions duly adopted at an annual or special meeting of Apartment Owners; and

(14) To exercise all other powers and duties of Unit Owners as a group referred to in the Condominium Act, in the Master Deed or these Bylaws.

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

(c) Nothing in these Bylaws shall be considered to grant to the Board of Directors, the Association, or to the officers of the Association, any powers or duties which, by

law, have been delegated to the Unit Owners.

7. Officers.

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

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

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

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

(e) The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep the books of the Association in accordance with sound accounting practices and shall perform all other duties incident to the office of treasurer of an association.

8. Indemnification.

(a) To the extent not covered by insurance, the Association shall indemnify and hold harmless each of its directors and officers, each member of any committee appointed pursuant to the Bylaws of the Association, the Board of Directors and the Owner, against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, committee members or Owner, on behalf of the Unit Owners, or arising out of their status as directors, Board, officers, committee members or Owner, 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 director, officer, Board, committee member or Owner may be involved by virtue of such persons being or having been such director, officer, Board, committee member, or Owner, provided, however, that such indemnity shall not be operative with respect to:

(1) 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, Board, committee member, or Owner, or

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

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

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

(d) The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Paragraph, provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the directors, Board, officers, members of such committees, or Owner shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements, bears to the total percentage interest of all the Unit Owners in the Common Elements. Every agreement made by the directors, Board, officers, members of such committees, Owner or by the Managing Agent on behalf of the Unit Owners shall provide that the directors, Board, officers, members of such committees, Owner or the Managing Agent, as the case may be, are acting only as agents for the Unit Owner and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements. The indemnification provided by this Paragraph 8 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in

his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be Owner or a member of the Board of Directors, officer of the Association or a member of such committee, and shall insure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

9. Assessments.

(a) Assessments against the Unit Owners for their shares of the items of the budget shall be made on or before December 10 preceding the year for which the assessments are made. Such assessments shall be paid 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 amount of the last prior year's assessment.

(b) Every person who purchases, or otherwise acquires title to, a Unit shall make an advance payment of one-twelfth (1/12) of the then current annual assessment to the Association. Initial purchasers from the Developer shall also pay their share of the first year's budget as adopted by the Developer (or by the Association) based upon their percentage ownership of the Common Elements. Such payment shall be made at the closing of any such sale.

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

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

(e) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the money of the Association shall be deposited. Withdrawal of money from such accounts shall be only by checks signed by such persons as are authorized by the Directors. The Directors may contract with a Managing Agent to provide that the Managing Agent shall collect assessments from Unit Owners and other moneys of the Association and disburse Association funds pursuant to the terms of such contract; provided, however, all employees of the Managing Agent handling or responsible for Association funds must be covered by fidelity insurance as set forth below in subparagraph (g).

The signatures of two (2) 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 Five Thousand Dollars ($5,000.00). Three (3) authorized signatures, one (1) of which must be of an officer of the Association, shall be required for any checks in excess of Ten Thousand Dollars ($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 (2) officers of the Association and one (1) employee of the Managing Agent. If there is no Managing Agent, then the signatures of two (2) officers shall be sufficient.

(f) 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.

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

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

(i) The Board shall, upon receipt of not less than ten (10) days written notice given to the Association, furnish any Unit Owner a statement of his or her accounts setting forth the amount of any unpaid assessment or other charges due and owing from such Unit Owner.

10. Rules and Regulations. All rules and regulations adopted by the Board of Directors shall be the rules and regulations of the Association unless and until rejected by a resolution adopted at a meeting of the members. The Directors shall give written notice to all members of the adoption of rules and regulations or of the amendment of any existing rule or regulation.

11. Amendments. These Bylaws may be amended in the following manner:

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

(b) During the Developer Control Period, a resolution for the adoption of a proposed amendment may be proposed only by the Board of Directors. Thereafter, a resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings to consider the amendment may express their approval in writing, providing such

approval is delivered to the Secretary at or prior to the meeting. The proposed amendment must be approved by not less than sixty-seven percent (67%) of the votes of the entire membership of the Association in order to be effective.

(c) No amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Unit Owner(s) so affected shall consent. No amendment shall change any Unit, nor the share in the Common Elements appurtenant to it, nor increase the Unit Owner's share of the Common Expenses, nor change the voting rights of members, unless the record owner of the Unit concerned and all record owners of liens thereon shall approve such amendment in writing.

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

12. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Master Deed, the Charter or these Bylaws.

13. Definition of Terms. The terms used in these Bylaws, to the extent they are defined therein, shall have the same definition as set forth in the Master Deed. The term "member" as used in these Bylaws, means "Unit Owner" as defined in the Master Deed.

14. Compliance with Statute. These Bylaws are intended to comply with the requirements of the Horizontal Property Act of Tennessee, Chapter 27 of Title 66, Tennessee Code Annotated, as it may be amended from time to time. In case any of these Bylaws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

The foregoing Bylaws are hereby adopted as the Bylaws of The Quarters Condominium Owners' Association, Inc. by the undersigned as of August ____, 2005.

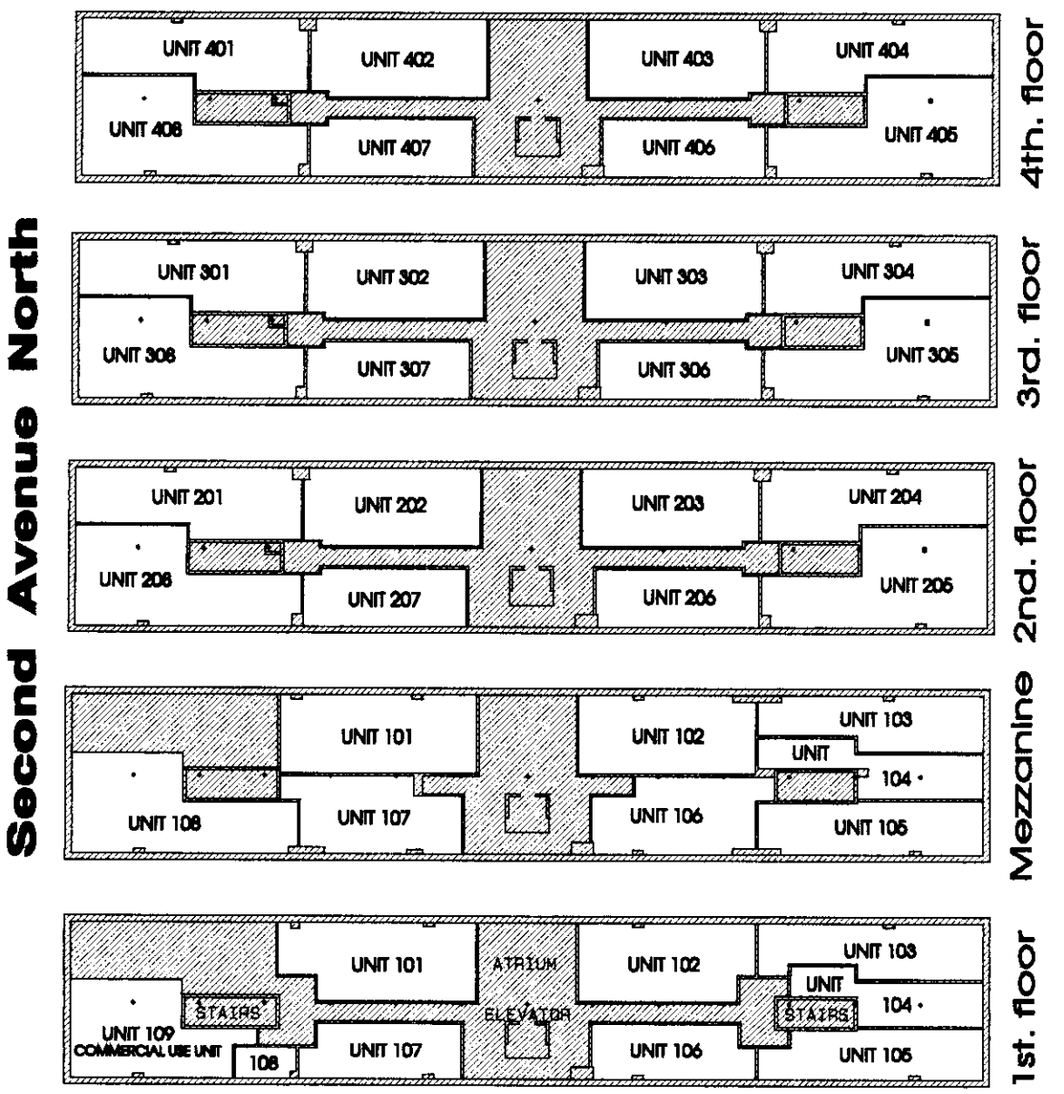
_____

John M. Baird, Incorporator

Exhibit D to Master Deed establishing

THE QUARTERS CONDOMINIUMS

178 Second Avenue North, Nashville, Tennessee



LEGEND

COMMON ELEMENTS

not all elements are shown graphically, see Master Deed for definition

Basement Floor, including parking areas and spaces, and Roof Deck Facilities are Common Elements

UNIT	AREA	UNIT	AREA	UNIT	AREA	UNIT	AREA
101	1500	201	720	301	720	401	720
102	1370	202	690	302	690	402	690
103	1130	203	690	303	690	403	690
104	800	204	700	304	700	404	700
105	1150	205	900	305	900	405	900
106	1070	206	470	306	470	406	470
107	1050	207	470	307	470	407	470
108	950	208	860	308	860	408	860
109	720						

NOTE: Area shown above is approximate square footage based on actual field measurments.

I HEREBY CERTIFY THAT THE INFORMATION GIVEN HEREON IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND IS COMPILED PURSUANT TO SECTION 66-27-107 OF THE TENNESSEE CODE ANNOTATED.

LAND SURVEYING SERVICES
Post Office Box 1243
Brentwood, Tennessee 37024-1243

615-833-5837

CHARLES B. MOSELEY JR. TENNESSEE NO. 778

Unit Numbers and Parcel Numbers are the same and refer to Property Map 92-2-4A

EXHIBIT "E"

TRACT I:

LAND in Davidson County, Tennessee, being a portion of Lot No. 12, on the Original Town of Nashville and being described as follows:

Lot No. 2 on the Resubdivision of part of Lot No. 12 of the Original Town of Nashville, of record in Book 5800, page 64, Register's Office for Davidson County, Tennessee.

TRACT II:

BEING a tract of land in the First Civil District of Davidson County, Tennessee, being Lot No. 1 on the Resubdivision of Part of Lot No. 12 of the Original Town of Nashville, 170-172 Second Avenue North, of record in Book 5800, page 64, Register's Office for Davidson County, Tennessee, and described according to a survey of Barge, Waggoner, Sumner & Cannon, dated November 29, 1983, as follows:

BEGINNING at a point in the easterly margin of Second Avenue North (formerly Market Street), said point being South 27 deg. 01' East, 183.2 feet from the southerly margin of Church Street; thence, leaving said margin, North 63 deg. 20' East, 97.75 feet; thence, South 26 deg. 50' East, 27.50 feet; thence, North 63 deg. 29' East, 111.40 feet to the westerly margin of First Avenue North (formerly Water or Front Street); thence, with said margin, South 27 deg. 02' East, 44.35 feet; thence leaving said margin, South 62 deg. 08' West, 105.0 feet; thence, North 27 deg. 16' West, 18.8 feet; thence South 63 deg. 06' West, 104.0 feet to the easterly margin of Second Avenue North; thence with said margin, North 27 deg. 01' West, 55.97 feet to the point of beginning.

TRACT III:

BEING a parcel of land in the First Civil District, Nashville, Davidson County, Tennessee, located on the easterly side of Second Avenue North, and being more particularly described as follows:

BEGINNING at a point in the easterly margin of Second Avenue North, said point being South 27 deg. 01' East, 149.70 feet from the southerly margin of Church Street, as measured along said easterly margin of Second Avenue North, said point also being the southwesterly corner of the property conveyed to 176 Limited by deed of record in Book 5916, page 866, Register's Office for Davidson County, Tennessee, and the northwesterly corner of the herein described parcel; thence, leaving said easterly margin of Second Avenue North, with the southerly line of the property conveyed to the aforementioned 176 Limited, North 63 deg. 20' East, 209.04 feet to a point in the westerly margin of First Avenue North, thence, with said westerly margin of First Avenue North, South 27 deg. 02' East, 33.50 feet to a point; thence, leaving said westerly margin of First Avenue North with the northerly line of Lot Nos. 1 and 2, as shown on the plan of Resubdivision Part of Lot No. 12, Original Town of Nashville, as of record in Book 5800, page 64, Register's Office for Davidson County , Tennessee, South 63 deg. 20' West, 209.05 feet to a

point in the easterly margin of Second Avenue North; thence with said easterly margin of Second Avenue North, North 27 deg. 01' West, 33.50 feet to the point of beginning.

Being the same property conveyed to Ranger Investments, Inc. by Deed of record in Book 9730, Page 277, Register's Office for Davidson County, Tennessee.

AND:

A tract of land lying in Davidson County, Tennessee known as City No. 176 Second Avenue, North, being part of lot No. 12 on the plan of the original Town of Nashville, not of record, described according to a survey by Anderson-Delk Associates dated October 24, 1980:

Beginning on the easterly margin of Second Avenue, North, formerly Market Street, at the southwest corner of the property conveyed to Grayson Corporation as of record in Book 2859, page 342, in the Register's Office for Davidson County, Tennessee, said point lying 116.7 feet more or less from the right of way intersection with Church Street; thence leaving said easterly margin North 63 degrees, 10 minutes, 50 seconds East a distance of 208.00 feet to a point on the most westerly margin of First Avenue, North; thence along said westerly margin South 27 degrees, 01 minutes, 10 seconds East a distance 33.00 feet to a point in the center of a party wall, the northeast corner of the property conveyed to R.C. Mathews Contractor, Inc., as of record in Book 4930, page 137, in the Register's Office for Davidson County, Tennessee; thence with the center of said wall Mathews northerly line South 63 degrees, 10 minutes, 50 seconds West a distance of 208.00 feet to a point on the easterly margin of Second Avenue, North; thence along said easterly margin North 27 degrees, 01 minutes, 10 seconds West a distance of 33.00 feet to the point of beginning.

Being the same property conveyed to 176 2nd Avenue North, LLC, a Georgia limited liability company, by Warranty Deed from The Arnold Group, Inc., a Pennsylvania corporation, of record as Instrument Number 20010802-0081832 in the Register's Office for Davidson County, Tennessee.