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Davidson County DEEDMAST
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MASTER DEED FOR BELMONT LOFTS

THIS MASTER DEED, made and entered into by **BELMONT LOFTS, LLC**, a Tennessee limited liability company, (hereinafter referred to as "Developer");

W I T N E S S E T H

WHEREAS, Developer is a legal title holder of certain real property located in Davidson County, Tennessee, and more particularly described on Exhibit A hereto (the "Parcel");

WHEREAS, Developer desires to submit the Parcel, together with all of the rest of the Property (as herein defined), and all rights and privileges belonging or in any way pertaining thereto to the provisions of the Horizontal Property Act of the State of Tennessee; and

WHEREAS, Developer further desires to establish for its own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof, and intends that all future owners, occupants, mortgagees, and any other persons hereafter acquiring any interest in the Property shall hold such interest subject to certain rights, easements and privileges in, over and upon the said Property, and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, all as more particularly hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspects of ownership and use of the Property and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property.

NOW THEREFORE, Developer, as the legal title holder of the Property, and for the purposes above set forth, declares as follows:

1. Definitions. As used herein, unless the context otherwise requires:

(a) "Act" means the "Horizontal Property Act" of the State of Tennessee, Tennessee Code Annotated, Sections 66-27-101, et seq., as amended.

(b) "Allocated Parking Spaces" means that number of specific automobile parking spaces allocated to such Unit by Developer as provided herein, and constituting an inseparable appurtenance thereto, the enjoyment, benefit and/or use of which is reserved to the lawful Occupant of such Unit as provided in this Master Deed.

(c) "Association" means Belmont Lofts Condominium Association, a Tennessee not-for-profit corporation.

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

(e) "Buildings" mean the building(s), whether one or more, located on the Parcel and forming part of the Property and consisting of and containing the Units. The Buildings are delineated on the Plat.

(f) "By-Laws" means the By-Laws of the Association, attached hereto as Exhibit C and made a part hereof, as amended from time to time. For purposes of the Act, all provisions contained in the body of this Master Deed dealing with the administration and maintenance of the Property shall be deemed to be a part of the By-Laws.

(g) "Common Elements" means all of the Property except for the Units, and, without limiting the generality of the foregoing, shall include those items defined as "General Common Elements" in the Act, including the following:

i. The Parcel;
ii. All drives, access roads, parking areas and open spaces as shown on the Plat;
iii. All foundations, bearing walls and columns, roofs, halls, lobbies, stairways, and entrances and exits or communication ways;
iv. All yards and gardens, except as otherwise herein provided or stipulated;
v. All compartments or installations of certain services such as power, light, gas, cold and hot water, refrigeration, reservoirs, water tanks and pumps, swimming pools, and the like (except installations situated entirely within a Unit and serving only such Unit);
vi. All garbage incinerators and, in the general, all devices or installations existing for common use;
vii. All recreational facilities, if any;
viii. All carports, and storage areas, if any;
ix. Pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only such Unit); and
x. All other elements of the Buildings desirable or rationally of common use or necessary to the existence, upkeep and safety of the condominium regime established by this Master Deed.

(h) "Developer" means Belmont Lofts, LLC, a Tennessee limited liability company, 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.

(i) "Development Period" means the period of time commencing on the date of the Recording of this Master Deed and ending on the day that is the earlier to occur of (a) the day that is four (4) months after the date on which at least seventy-five percent (75%) of the Units have been conveyed to the initial purchasers thereof for residential use by Developer or its assignee, or (b) the day that is three (3) years after the first conveyance of a Unit to the initial purchaser thereof for residential use by Developer or its assignee, or (c) any day prior to the days specified in clauses (a) or (b) of this sentence on which Developer in its sole discretion elects to terminate the Development Period by calling the First Annual Meeting (as defined in the By-laws).

(j) "Limited Common Elements" means all Common Elements contiguous to and serving exclusively a single Unit or one or more adjoining Units as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful Occupants of such Unit or Units either in this Master Deed, on the Plat, or by the Board. Any part or aspect of the Building or the Common Elements that serve only one particular Unit shall be deemed "Limited Common Elements". Limited Common Elements shall include, but shall not be limited to, the separate furnace, air conditioner and water heater located within or adjacent to a Unit and serving only such Unit, pipes, ducts, lines, pipes, electrical wiring and conduits located entirely within a Unit, adjoining Units, or outside of any Unit or Units but serving only such Unit or Units, any balconies and patios, and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows, screens, and entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries and any Allocated Parking Space as provided herein.

(k) "Majority" or "majority of the Unit Owners" means the owners of more than fifty percent (50%) of the Units.

(l) "Master Deed" means this instrument, by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Master Deed as amended from time to time.

(m) "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

(n) "Parcel" means the parcel or tract of real estate, described on Exhibit A attached to this Master Deed and submitted hereby to the provisions of the Act.

(o) "Percentage Interest in the Common Elements" means a Unit Owner's undivided interest in the Common Elements as set forth on Exhibit B attached hereto and made a part hereof.

(p) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(q) "Plat" means the site plan of the Parcel submitted to the provisions of the Act showing i) the overall depiction of the Parcel and the footprint of the Buildings and other improvements on the Parcel; and ii) the number of each Unit, expressing its area, location and other data necessary for identification, said Plat being attached hereto on Exhibit D and made a part hereof.

(r) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures now or hereafter erected, constructed or contained therein or thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of Unit Owners, submitted to the provisions of the Act.

(s) "Record or Recording" refers to the record or recording in the Register's Office for Davidson County, Tennessee.

(t) "Rules and Regulations" refer to rules and regulations concerning the use of the Units and the Common Elements, as adopted from time to time by the Board in accordance with the Master Deed and By-Laws.

(u) "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in the Buildings, which enclosed space is not owned in common with Unit Owners of other Units. Each Unit is numbered as shown on the Plat. The boundaries of each Unit shall be and are the unfinished interior surfaces of its perimeter walls, floors and ceilings, and a Unit includes both the portion of the Buildings so described and the air space so encompassed, excepting Common Elements. It is intended that the term "Unit" as used in this Master Deed shall have the same meaning as the term "Apartment" as used in the Act.

(v) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit and of the Percentage Interest in the Common Elements appurtenant thereto, and shall be deemed the same as "co-owner" under the Act, but "Unit Owner" shall not mean the Mortgagee or Beneficiary of a recorded mortgage or deed of trust who holds a lien solely for security purposes and does not have possession of the Unit. Unless specially provided otherwise herein, Developer shall be deemed a Unit Owner so long as it is the legal title holder of any Unit.

2. Submission of Property to the Act. Developer does hereby submit and subject the Parcel and the Property to the provisions of the Act and does hereby form a Horizontal Property Regime to be known as Belmont Lofts.

3. Plat. The Plat sets forth the numbers and location of each Unit and other data as required by the Act.

4. Units. The legal description of each Unit shall consist of the identifying number of each Unit as shown on the Plat. Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a Unit by its identifying number as shown on the Plat and every description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat. Notwithstanding any provision herein to the contrary, prior to the sale of each unit by the Developer or its assignee to a third party who occupies or rents such Unit for residential purposes, Developer or its assignee may alter or modify the dimensions and demising walls of such Unit by modification of the Plat by means of the execution by Developer and recording of an amendment to this Master Deed.

5. Association of Unit Owners and Administration and Operation of the Property.

(a) There has been or will be formed an Association having the name "Belmont Lofts Condominium Association" a Tennessee not-for-profit corporation, which Association shall be the governing body for all Unit Owners, and shall be operated to provide for the maintenance, repair, replacement, administration and operation of the Property, as provided in the Act, this Master Deed and the By-Laws. The By-Laws for the Association shall be the By-Laws attached to this Master Deed as Exhibit C and made a part hereof. The Board of Directors of the Association shall be elected and serve in accordance with the provisions of the By-Laws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be

deemed to be conducting a business of any kind. All activities undertaken by the Association shall be the sole benefit of the Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners, in accordance with the provisions of this Master Deed and By- Laws. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. Each Unit shall have one (1) vote.

(b) Management of Property. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (c) below. The Board shall require that such Managing Agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense, as defined in Paragraph 10 hereof.

(c) Initial Management Agreement. Prior to the appointment of the First Board as provided herein, the Developer, on behalf of the Association, may employ a management company, to act as Managing Agent for the Property; provided, however, that such Agreement shall be for a term to end no less than three (3) years after the end of the Development Period and shall be terminable by the Board without penalty on not less than ninety (90) days notice.

(d) Use by Developer. During the period of sale by Developer of any Units, Developer, and Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Buildings and Property as may be required for purposes of sale of Units. While Developer owns any of the Units and until each Unit sold by it is occupied by the Purchasers, Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

(e) Non-Liability of Directors and Officers. To the extent permitted by law, neither the directors nor officers of the Association shall be personally liable to Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. Unit Owners shall indemnify and hold harmless each of the directors or officers and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of Article VII of the By-Laws.

6. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of this Master Deed or By-Laws, the determination thereof by the Board shall be final and binding on all Unit Owners.

7. Ownership of the Common Elements. Each Unit is hereby allocated its Percentage Interest in the Common Elements as set forth on Exhibit B attached hereto and made a part hereof as though fully set forth herein. The assigned percentages of interest in the Common Elements set forth

on Exhibit B shall remain constant unless hereafter changed by recorded amendment to this Master Deed consented to in writing by Unit Owners, in accordance with Paragraph 21 herein. The ownership of a Unit shall not be conveyed separate from the Percentage Interest in the Common Elements appurtenant to such Unit. The Percentage Interest in the Common Elements appurtenant to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title to that Unit.

8. Use of the Common Elements, Limited Common Elements and Allocated Parking Spaces. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the Property subject to leases made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner, but also to his agent, servants, tenants, family members, customers, invitees and licensees. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving such Unit alone or with adjoining Units. Such rights to use the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act, Master Deed, By-Laws, and rules and regulation of the Association. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of this Master Deed and By-Laws. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions and regulations as the Board may adopt or prescribe.

The lawful Occupant of each Unit shall have the right to the use and possession of the Allocated Parking Spaces serving such Unit. Such conveyance shall not be of a specific parking space, but for a certain number of spaces per unit within the Project, as designated on Exhibit B attached hereto. Such right to use the Allocated Parking Space shall be subject to and governed by the provisions of the Act, this Master Deed, the By-laws and the rules and regulations of the Association; provided, however, the right to the use of an Allocated Parking Space, including the specific location of that space, may not be changed without the written consent of the Unit Owner of the Unit to which an Allocated Parking Space has been allocated. The Allocated Parking Space corresponding to any Unit shall be deemed conveyed or encumbered with that Unit as an inseparable appurtenance thereto, even though the legal description in the instrument conveying or encumbering such Unit may refer only to such Unit, and the Allocated Parking Space shall not be conveyed or encumbered separately from the Unit served thereby. Such Allocated Parking Space shall not be the subject of any partition action.

The Developer and the Board reserve the right to alter the specific allocation of parking spaces due to the purchase or lease of a Unit by an Occupant that is handicapped, disabled, or otherwise physically-challenged.

9. Parking Spaces. Parking spaces, other than the Allocated Parking Spaces, shall be part of the Common Elements, and may be allocated and reallocated, from time to time, to the respective Unit Owners, and shall be used by such Unit Owners subject to the Rules and Regulations of the Association, and parking spaces not so used by Unit Owners may be rented or otherwise used in such manner as the Board may prescribe. Any parking spaces not allocated to a Unit Owner or rental may be used by the Unit Owners on a non-exclusive basis. However, such spaces shall not be used on a permanent basis by a Unit Owner but only for temporary parking.

10. (a) Common Expenses. Each Unit Owner, including Developer (so long as Developer is a Unit Owner), shall pay his proportionate share of the expenses of the administration

and operation of the Common elements and of any other expenses incurred in accordance with this Master Deed and the By-Laws (which expenses are herein sometimes referred to as "common expenses"), including, but not limited to, the maintenance and repair of the Common Elements and any and all replacements and additions thereto. Such proportionate share of the common expenses for each Unit Owner shall be in accordance with his Percentage Interest in the Common Elements; provided, however, that any such expenses with respect to the Limited Common Elements (other than such expenses related to the maintenance and repair of Allocated Park Spaces which shall be deemed to be a common expense) shall be borne by the Unit Owners to whose Units such Limited Common Elements are appurtenant, in accordance with such Unit Owners' respective percentage interest therein. Payment of common expenses, including any prepayment thereof required by a contract for sale of a Unit, shall be in such amounts and at such times as determined in the manner provided in the By-Laws. No Unit Owner shall be exempt from payment of his proportionate share of the common expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of his Unit. If any Unit Owner shall fail or refuse to make any such payment of common expenses when due, the amount thereof, together with interest thereon at the highest rate allowed by law from the date that said common expenses become due and payable, plus reasonable attorney's fees incurred by the Association in the collection thereof or the enforcement of the lien herein provided, shall constitute a lien on the interest of such Unit Owner in his Unit and the Property as provided in the Act. Except for a foreclosure sale described in subsection (b) below, the sale or conveyance of a Unit shall in all cases be subject to all unpaid assessments against the Unit Owner thereof for his pro rata share in the common expenses, and if the same are not paid by the owner thereof prior to any sale or conveyance, shall be a lien against the Unit. Likewise, all taxes and other levies and assessments by governmental taxing bodies shall be a lien against individual Units.

Notwithstanding the foregoing, Developer shall not be required to pay any assessments for common expenses in respect of Units owned by it during the Development Period. After the end of the Development Period, Developer shall have no responsibility for the maintenance, repair or replacement of any of the Common Elements except for its responsibilities as a Unit Owner as provided herein; however, should Developer advance any of its own funds for such expenses, it shall be entitled to a credit for all sums so paid against the assessments that it is required to pay as a Unit Owner. Provided, however, for a period of five (5) years after the end of the Development Period, Developer shall not be liable for any special assessments levied by the Board for improvements or betterments to Common Elements.

(b) Mortgage and Deed of Trust Protection. The lien for assessments payable by a Unit Owner shall be subordinate to the lien of a recorded first Mortgage or Deed of Trust on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the Mortgagee or Beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its Mortgage or Deed of Trust and except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessment or charges to all Units including the Mortgaged Unit. This subparagraph (b) shall not be amended, changed, modified or rescinded without the prior written consent of all Mortgagees and Beneficiaries of record.

11. Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to mortgage his Unit together with his respective Percentage Interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or place a lien on the Property or any part thereof, except to the extent of his own Unit and his appurtenant interest in the Common Elements.

12. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his Unit and its appurtenant interest in the Common Elements, as provided in the Act. In the event that such taxes for any year are not separately taxed to each Unit Owner, but rather are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Percentage Interest in the Common Elements, and, in said event, such taxes shall be a common expense.

13. Insurance. The Board shall have the authority to and shall obtain insurance for the Property, exclusive of the additions within, improvements to and decoration of the Units and Limited Common Elements by the Owners, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under broad form "all risk" extended coverage provisions, for the full insurable replacement cost of the Property, and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the Common Elements (including without limitation, the Limited Common Elements), the Units and/or any part thereof, to substantially the same condition in which they existed prior to damage or destruction or as near thereto as is feasible with the amount of insurance proceeds available therefor. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board, as the trustee for the Unit Owners in proportion to the Unit Owners' respective Percentage Interest in the Common Elements, as set forth in this Master Deed, and for the holders of mortgages on the Units, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against the Unit Owners. The premiums for such insurance shall be a common expense.

In the event of damage to or destruction of all or any part of the Buildings as a result of fire or other casualty covered by insurance maintained by the Board pursuant thereto (unless more than two-thirds of such Buildings require reconstruction), the Board shall, in its sole and absolute discretion determine, and without intervention of any Unit Owner, arrange for the prompt repair and restoration of the damaged portions of all Units, Buildings and Common Elements substantially in accordance with the original plans and specifications therefor. The Board shall not be responsible for the repair, replacement or restoration of any wall, ceiling or floor decorations or covering or furniture, furnishings, fixtures, appliances or equipment installed in the Unit by a Unit Owner or Occupant or any other personal property located on the Property owned by a Unit Owner or Occupant unless insurance therefor is specifically provided for in the insurance policy obtained by the Board.

Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of all the Buildings and Common Elements are destroyed or damaged by fire or other casualty, as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners, the insurance proceeds shall be delivered to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the Percentage Interest of each Unit Owner in the Common Elements; and the Board, as soon as is reasonably practicable and as agent for the Unit Owners, shall sell the Property, in its then condition free from the effect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale and of all insurance policies shall thereupon be distributed to the Unit Owners, their mortgagees, as their interests may appear, in proportion to the Percentage Interest of each Unit Owner in the Common Elements. If the board fails to consummate a sale pursuant to this Paragraph within twenty-four (24) months after the destruction or damage occurs, then the Managing Agent or the Board shall, or if it does not, any Unit Owner or mortgagee may, record a sworn declaration setting forth such decision and reciting that under the provisions of this Master Deed the prohibition against judicial partition provided for in this Master Deed has terminated and that judicial partition of the Property may be

obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, this Master Deed shall terminate.

If the Property is comprised of more than one Building, reconstruction also shall not be compulsory where the whole or more than two-thirds (2/3) of any one of the Buildings is destroyed, as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners directly affected, the net proceeds of insurance policies shall be divided among all the Unit Owners directly affected by the casualty in proportion to their respective common interests as determined in the sole discretion of the Board, after paying from the share of such affected Unit Owner the just amount of any unpaid liens on his Unit, in the order of priority of such liens. Notwithstanding the foregoing, no such disbursement of the aforesaid insurance proceeds shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quit claiming his interest in his Unit or the affected portion thereof. Upon the recording of the aforesaid deeds and releases, each such Unit or affected portion thereof shall be deemed withdrawn and thereafter to be Common Elements. Upon the withdrawal of any Unit or portion thereof the Percentage Interest in the Common Elements allocable to such Unit shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, as determined by the Board. After the Board has effected any such withdrawal, the responsibility for the payment of assessments for any such withdrawn Unit or portion thereof shall cease.

Prior to the end of the Development Period, the Board shall also have authority to and shall obtain comprehensive public liability insurance, in such amounts as it deems desirable, but in no event less than $1,000,000.00, and worker's compensation insurance and other liability insurance in such amounts as it deems desirable, insuring each Unit Owner, mortgagee(s) of record, the Association, its officers, directors and employees, Developer, and the Managing Agent, if any, from liability in connection with the Property. The premiums for such insurance shall be a common expense.

The Board also shall have authority to and shall obtain such other insurance and bonds (including flood insurance and fidelity bonds) and endorsements thereto, as it deems desirable or as may be required to permit the purchase of mortgages of the Units by the Federal National Mortgage Association, in such amounts, from such sources and in such forms as it deems desirable, or as may be required to permit the purchase of mortgages of the Units by the Federal National Mortgage Association, insuring the Property and each member of the Board and officer of the Association, and each member of any committee appointed pursuant to the By-Laws of the Association, from any liability arising from the fact that said person is or was director or officer of the Association, or a member of any such committee. The premiums for such insurance and bonds shall be a common expense.

Each Unit Owner shall be responsible for obtaining his own insurance on the contents of his Unit and the Limited Common Elements serving his Unit, as well as his additions and improvements thereto, and all parts of the Unit (for which the responsibility of maintenance and repair is that of the Unit Owner), and for decorations, furnishings, and personal property therein, and personal property stored elsewhere on the Property, if any. In addition, in the event a Unit Owner desires to insure against his personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Unit Owners as part of the common expenses, as above provided, said Unit Owner may, at his option and expense, obtain additional insurance.

Anything in this Paragraph 13 to the contrary notwithstanding, all insurance maintained by the Board shall, to the fullest extent possible, be with such companies, be in such amounts, have such endorsements, and otherwise be of such form and substance as to permit the Federal National Mortgage Association to purchase mortgages of the Units.

14. Maintenance, Repairs and Replacements. Each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within and to his Unit. Except to the extent hereinafter set forth, maintenance of, repair to and replacement of the Common Elements shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of the common expenses, subject to the By-Laws, and rules and regulations of the Association. Maintenance of, repairs to, and replacements within the Limited Common Elements shall be assessed in whole to Unit Owners benefited thereby. Further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to, and replacements within the Limited Common Elements to arrange for such maintenance, repairs and replacements in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom; provided, however, that if, in order to maintain, repair, or replace the electrical wiring, plumbing, or other utilities of a Unit, it shall become necessary to gain entry to another Unit, it shall be the responsibility of the Association to provide such maintenance, repair, or replacement, but the cost of such maintenance, repair, or replacement may be assessed to the Unit Owners benefited thereby, as hereinabove provided.

If, due to the act or neglect of a Unit Owner, or of his agent, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by the Association's insurance.

The authorized representatives of the Association, Board, or of the Managing Agent with approval of the Board, shall be entitled to reasonable access to the individual Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or Limited Common Elements in the event of an emergency, or in connection with maintenance of, repairs to, or replacements within the Common Elements, Limited Common Elements, or to make any alteration required by any governmental authority.

15. Alterations, Additions or Improvements. Except as provided in Paragraph 16 herein, no alteration of any Common Elements (including without limitation, drilling or otherwise disturbing the concrete floors between Units), or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses alterations, additions, and improvements of the Common Elements as provided in the By-Laws. The Board shall require any such Unit Owner to obtain approvals and verifications from any applicable engineer or contractor, including but not limited to, structural or civil engineers, stating that any such alterations, additions, or improvements shall not adversely affect the Building, the Common Elements, the Property, the Unit in question, or any neighboring Units, or any part thereof. Any Unit Owner may make non-structural alterations, additions or improvements within and to his Unit without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements; however, any non-structural alterations, additions, or improvements within and to a Unit with a cost of over $10,000.00 shall require prior written approval by the Board. All necessary governmental or other permits for such renovations shall be obtained prior to construction at the cost of the Unit Owner.

16. Decorating. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within and to his Unit and Limited Common Elements serving his Unit, as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting, and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces and the balcony of his Unit, if any, and such Unit Owner shall maintain said Unit surfaces and the balcony in good condition at his sole expense, as may be required from time to time. Said maintenance and use of Unit surfaces shall be subject to the rules and regulations of the Association, but each Unit Owner shall have the right to decorate such interior Unit surfaces from time to time as he may see fit and at his sole expense. Decorating of the Common Elements and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the common expenses.

17. Encroachments. If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements, or if any Unit shall actually encroach upon another Unit, as the Common Elements and Units are shown on the Plat, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit owners involved, to the extent of such encroachments, so long as the same shall exist.

18. Transfer of a Unit - First Option to Association.

(a) Unrestricted Transfers. Subject to subparagraph (b) and (k) below, a Unit Owner may, without restriction under this Master Deed, sell, give, devise, lease or otherwise transfer his Unit, or any interest therein, to his spouse, or to any heirs at law, including, but not limited to, his child, parent, brother, sister, grandchild or descendant, or to any descendent of his spouse, child, parent, brother, sister, grandchild, or to any one or more of them, or to any trustee of a trust, the sole beneficiary of which is the Unit Owner or his spouse, child, parent, brother, sister, grandchild, or descendant or any one or more of them. Notice of any such unrestricted transfer shall be given to the Board within five (5) days following consummation of such transfer.

(b) Lease. Subject to subparagraph (k) below, a copy of any lease for a Unit, as and when executed, shall be furnished to the Board and to the Managing Agent. The lessee under every such lease shall be bound by and subject to all of the obligations, under the Master Deed and Bylaws, of the Unit Owner making such lease and the lease shall expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions below with respect to the Association's right of first option shall again apply to said Unit. The Board shall have the express authority to require at any time that any Unit Owner who is leasing his Unit place on deposit with the Board such sums as the Board may require and determine to be used as an indemnity against the loss or damage to the Common Elements which might be caused by such Unit Owner's lessee. Except as limited herein, the amount of such deposit and the times for requiring the same shall be in the sole discretion of the Board. The reasons for the indemnity deposit requirements shall be in the sole discretion of the Board. The terms of the indemnity shall be such terms as might be satisfactory to the Board. The Board shall furnish the Unit Owner a notice in writing which shall constitute that Unit Owner's notice to place such sums on deposit. The deposit shall be in cash, but in no event may the Board require the deposit to exceed $500.00. In the event the Unit Owner fails to comply with the terms of the aforesaid notice within ten (10) days from the date said notice is mailed to him, the Board at its option may elect to terminate the term of the subject lease. The Board shall give the Unit Owner and his lessee notice of such election in writing. Within ten (10) days after said notice is placed in the United States mail addressed to the Unit Owner at his last known address or within ten (10) days after a written notice of such election is delivered to the residents of the lessee, whichever shall last occur, the lessee shall forthwith and immediately vacate the subject Unit, and the Unit Owner shall take such further actions as might be necessary on his part to insure that said lessee vacates said Unit.

(c) Notice to Association of Certain Transfers. Whenever a Unit Owner shall propose to sell, give, devise, lease or otherwise transfer his Unit, or any interest therein, to any person or entity other than a person or entity described in subparagraph (a), above, said Unit Owner shall give the Association not less than thirty (30) days' prior written notice of the proposed transfer, which notice shall briefly describe the type of transfer proposed by the Unit Owner, including at a minimum the closing date, sales price or monthly rent, and amount of escrow deposit or security deposit required, and shall state the name, address and financial and character references of the proposed transferee. The notice shall also include a copy of the proposed lease, contract for sale or other documents, if any, effecting said transfer.

(d) Association's First Option.

i. If Proposed Transfer is a Sale or Lease: If a Unit Owner proposes to sell or lease his Unit, or any interest therein, to any person or entity other than a person or entity described in subparagraph (a), above, for a period of ten (10) days following the date notice of said proposed transfer is given to the Association, the Association shall have the first right, at its option, to purchase or lease such Unit from said Unit Owner (the "transferring party") upon the terms described in said notice.

ii. If Proposed Transfer is a Gift: If a Unit Owner proposed to make a gift of his Unit, or any interest therein, to any person or entity other than a person or entity described in subparagraph (a), above, for a period of ten (10) days following the date notice of said proposed transfer is given to the

Association, the Association shall have the first right, at its option, to purchase such Unit. The price to be paid by the Association for said Unit, or interest therein, shall be agreed upon by said Unit Owner (the "transferring party") and the Association, or, if not promptly agreed upon, shall be determined in accordance with the procedure set forth in subparagraph (e), below.

(e) Determination of Disputed Purchase Price. If the price to be paid by the Association for a Unit or interest therein, pursuant to subparagraph (d)(2) and (3), above, is not promptly agreed upon, said price shall be equal to the fair market value of the Unit, as determined by an M.A.I. appraiser mutually agreed upon by the transferring party and the Association, and, in the event of no prompt agreement on said appraiser, by a majority decision of three M.A.I. appraisers, one chosen by the transferring party, one chosen by the Association and the third chosen by the two appraisers. The cost of said appraiser or appraisers shall be paid one-half (1/2) by the transferring party and one-half (1/2) by the Association as a Common Expense.

(f) Election Not to Exercise First Option. The Board shall have authority, on behalf of and in the name of the Association, to elect not to exercise the Association's first option hereunder, and shall promptly give written notice of said election to the transferring party. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of directors or poll all directors for the purpose of voting upon whether the Board shall elect not to exercise the Association's first option hereunder. The Association shall be deemed to have elected not to exercise its first option if either (i) the Association notifies the transferring party that it has elected not to exercise its option, or (ii) the Association fails to notify the transferring party before expiration of the applicable option period provided herein that the Association elects to exercise its option.

A certificate executed by the President, Vice President, Secretary or other duly authorized officer of the Association, certifying that the Association, by its Board, has elected not to exercise its first option, shall be conclusive evidence of such election and of a Unit Owner's compliance with the provisions hereof. Such a certificate shall be furnished to a Unit Owner upon his compliance with the provisions hereof, provided the Unit Owner requests such certificate from the Association in writing and pays the Association a reasonable fee for said certificate.

(g) Election to Exercise First Option. The Board shall have authority to recommend to the Unit Owners that the Association elect to exercise its option. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of directors or poll all directors for the purpose of voting upon whether the Board should make such recommendation. In the event the Board decided not to recommend that the Association elect to exercise its option, then notice of the Board's decision shall be promptly given to the transferring party.

In the event the Board shall decide to recommend to the Unit Owners that the Association elect to exercise its option, the Board shall notify the transferring party of its recommendation. Provided such notice is given within ten (10) days from notice of the proposed transfer, the transferring party shall allow the Board to call and hold a meeting of all the Unit Owners, within ten (10) days following its determination to recommend such election, for the purpose of voting upon whether the Association will elect to exercise its option. If Unit Owners owning not less than seventy-five percent (75%) of the total ownership of the Common

Elements, by affirmative vote at such meeting or by written proxy or consent, elect to exercise the Association's option, then the Board shall promptly give written notice of said election to the transferring party.

In the event the Association elects to purchase the Unit, the Association must close on the Unit and/or deliver funds equal to the purchase price within thirty (30) days following the election: otherwise, the Association forfeits all option rights to the Unit and the transferring party shall be able to sell the Unit unencumbered. The Association shall pay for all closing costs customarily paid for by a Seller in Davidson County, Tennessee, and all closing costs shall be considered a Common Expense.

The Association shall be deemed to have exercised its option hereunder if it tenders the required sum of money to the transferring party within the applicable option period as provided in the notice.

(h) Association's Right to Purchase at a Foreclosure Sale. The Board shall have the power and authority to bid and purchase, for and on behalf of the Association, any Unit, or interest therein, at a sale pursuant to a deed of trust or mortgage foreclosure, a foreclosure of the lien for Common Expenses under the Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of Unit Owners owning not less than seventy-five percent (75%) of the total ownership of the Common Elements. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid and pay for said Unit.

(i) Financing of Purchase by Association. The Board shall have authority to make such mortgage arrangements and special assessments proportionately among the respective Unit Owners, and other such financing arrangements, as the Board may deem desirable in order to close and consummate the purchase or lease of a Unit, or interest therein, by the Association. However, no such financing arrangement may be secured by an encumbrance on any interest in the Property other than the Unit, or interest therein, to be purchased or leased, and the percentage interest in the Common Elements appurtenant thereto.

(j) Miscellaneous.

i. A transfer or lease of a Unit, or interest therein, by or to the Board, the Developer or the holder of any deed of trust or mortgage on a Unit which comes into possession of the mortgaged Unit pursuant to remedies provided in such deed of trust or mortgage, or pursuant to foreclosure of such deed of trust or mortgage, or pursuant to a deed (or assignment) in lieu of foreclosure of such deed of trust or mortgage, shall not be subject to the provisions of this paragraph 18.

ii. The Association shall hold or lease any Unit, pursuant to the terms hereof, in the name of the Association, or a nominee thereof delegated by the Board, for the sole benefit of all Unit Owners. The Board shall have the authority at any time to sell, lease or sublease said Unit on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall a Unit be sold for less than the amount paid by the Association to purchase said 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.

iii. All notices referred to or required under this paragraph 18 shall be given in the manner provided in this Master Deed for the giving of notices.

iv. The provisions of this paragraph 18 with respect to the Association's right of first option shall be and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided therein, unless the provisions of this paragraph 18 are sooner rescinded or amended by the Unit Owners.

v. The Board may adopt rules and regulations, from time to time, not inconsistent with the provisions of this paragraph 18, for the purpose of implementing and effectuating said provisions.

vi. If any transfer or lease of a Unit is made or attempted without complying with the provisions of this paragraph 18, such transfer or lease shall be subject to each and all of the rights and options of, and remedies and actions available to, the Association hereunder and otherwise.

vii. In the event of any transfer of a Unit, or any interest therein, the transferee shall be jointly and severally liable with the transferor for all unpaid assessments of the transferor accrued and payable prior to the date of the transfer.

19. Use and Occupancy Restrictions. Subject to the provisions of the By-Laws, no part of the Property may be used for purposes other than as allowed by municipal zoning laws, which includes housing for single family residences and the related common purposes for which the Property was designed, as consistent with zoning for the Property. Each Unit, or any two or more adjoining Units used together, shall be used as a single family residence, or such other use permitted by this Master Deed, and for no other purpose, except that professional and quasi-professional people may use their residence (not in violation of municipal zoning laws) as an ancillary or secondary facility to an office established elsewhere. The foregoing restrictions as to residence shall not, however, be constructed in such manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restrictions.

The Common Elements shall be used only by Unit Owners and their agents, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Units and for such other purposes incidental to use of the Units; provided, however, the lobbies and corridor area and other areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

20. Remedies. In the event of any violation of the provisions of the Act, this Master Deed, By-Laws, or Rules and Regulations of the Association by any Unit Owner (either by his own conduct or by the conduct of any Occupant of his 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 Act, this Master Deed, the By-Laws, 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 seal the same as provided hereinafter in this Paragraph 20, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest rate allowed by law or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board 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, of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property; 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 10(b) hereof. In the event of any such default by any Unit Owner, the Board and the Manager or Managing Agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose 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 Board. This Paragraph shall not be amended, changed, modified or rescinded without the prior written consent of all holders of record of mortgage and deed of trust liens against the Units.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Master Deed: (a) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, or any portion of the Property upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate the Act, or any of the covenants or restrictions or provisions of this Master Deed, the By-Laws, or the regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Owner a notice in writing terminating the rights of said defaulting Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use, or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Property shall 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 Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments

hereunder, or any liens, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding Percentage Interest in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed.

21. Amendment. The provisions of this Master Deed may be amended by an instrument in writing, setting forth such amendment, signed by Unit Owners holding at least sixty-seven percent (67%) of the Percentage Interest in the Units; provided, however, that all lien holders of record have been notified by certified mail of such amendment, and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument; provided further that during the Development Period, no such change, modification or rescission shall be effective without the express written approval of Developer; and provided further that, as to amendments of a material nature, approval must be obtained from eligible mortgage holders (those entitled to notice pursuant to Article VIII of the By-Laws) who represent 51% of the votes of the Units that are subject to mortgages held by such eligible mortgagees. The following matters are among those considered material:

a. Voting rights;
b. Assessments, assessment liens, or the priority of assessment liens;
c. Reserves for maintenance, repair, and replacement of Common Elements;
d. Responsibility for maintenance and repairs;
e. Reallocation of interests in the general or Limited Common Elements, or rights to their use;
f. Redefinition of any Unit boundaries;
g. Convertibility of Units into Common Elements or vice versa;
h. Expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the project;
i. Insurance or fidelity bonds;
j. Leasing of Units;
k. Imposition of any additional restrictions on a Unit Owner's right to sell or transfer his or her Unit.
l. A decision by the Association to establish self-management when professional management had been required previously by the project's documents or by an eligible mortgage holder;
m. Restoration or repair of the Buildings (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
n. Any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
o. Any provisions that expressly benefit mortgage holders, insurers, or guarantors.

Eligible mortgage holders representing at least sixty-seven percent (67%) of the votes of mortgaged Units must consent to a termination of the regime established by the Master Deed for any reason other than substantial destruction or condemnation of the Property.

The consent of any such eligible mortgage holder will be presumed if it fails to respond to a written proposal for an amendment within thirty (30) days after it receives notice thereof by certified mail, return receipt requested.

However, if the Act, this Master Deed or the By-Laws require the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Master Deed, then any instrument amending any provision of this Master Deed with respect to such action shall be signed by all Unit Owners or all lien holders or both as required by the Act or this Master Deed. Any amendment shall be effective upon the recording of such instrument in the Office of the Register of Deeds for Davidson County, Tennessee; provided, however, that no provisions in this Master Deed may be amended so as to conflict with the provisions of the Act.

Notwithstanding the provisions of this Paragraph 21 to the contrary, during the Development Period, Developer, without the consent of any Unit Owner, may amend this Master Deed for any reason whatsoever, including, but not limited to, reconfiguring the boundaries of one or more Units, so long as the boundaries and Percentage Interest in the Common Elements of Units which have been sold are not affected.

22. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of Elizabeth II, Queen of England.

23. Rights and Obligations. Each grantee of Developer, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Master Deed. All future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Master Deed. Any restrictions or rules in the By-Laws which are more than administrative in nature such as, but not limited to, reservations and future rights of Developer are hereby incorporated into and made a part of this Master Deed by reference. All rights, benefits and privileges hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the By-Laws appended hereto and recorded herewith, as they may be amended from time to time. The acceptance of a deed of conveyance, devise, or lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the By-Laws, and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Unit Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

The terms and conditions of the Master Deed, By-Laws and Rules and Regulations of the Association may be incorporated by reference in, and become part of, the agreement between any first mortgagee and any present or future Unit Owner who enters into such an agreement with a first mortgagee. When so incorporated, any default in the terms and conditions of this Master Deed, By-Laws, and Rules and Regulations may be considered by the first mortgagee as a default, whereupon said first mortgagee, after exercising its option to declare a default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Unit Owner.

24. Condemnation. In the event of a taking of part of the Common Elements in condemnation or by eminent domain, the award made for such taking shall be payable to the

Association. If a majority of the Board in their sole and absolute discretion approve the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event the Board does not approve the repair and commence restoration of such Common Elements within 120 days after taking by the public or private authority, the Board shall disburse the net proceeds of such award on the basis of such Unit's Percentage Interest in the Common Elements.

25. Rights Reserved. Unit Owner's right of enjoyment in the Common Elements shall be subject to:

(a) The right of the Association, as provided in its By-Laws or Rules and Regulations to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction or its published Rules and Regulations;

(b) The right of the Association to charge reasonable fees for the use of any part or parts of the Common Elements;

(c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution or dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless members of the Association entitled to cast sixty-seven percent (67%) of the total votes of the Association have agreed to such dedication, transfer, purpose, or condition;

(d) All rights of Developer contained herein, including, but not limited to, the right of Developer, at its sole expense, to relocate, expand, modify, reduce, or extend existing driveways, parking areas and yard, and to construct, expand, enlarge or relocate sewers, utility lines or service connections, in order to serve the existing Buildings; and

(e) The right of the Association to grant such easements and rights-of-way to such utility companies or public agencies or authorities as it shall deem necessary for the proper servicing and maintenance of the Common Elements and the Units.

26. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title-holding trust, under the terms of which all powers of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit. No claim shall be made against any such title-holding trustee personally for payment of any lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

27. Indemnification. Any individual Unit Owner and all Unit Owners hereby agree to indemnify and hold harmless Developer, its successors and assigns and does hereby indemnify and hold harmless Developer, its successors and assigns, from and against any losses, damages, expenses or liabilities, obligations, penalties, actions, judgments, suits, costs, including attorney fees and disbursements of any kind or nature whatsoever which may be imposed in, incurred by or served

against Developer in any way relating to or arising out of the Property, this Master Deed, the By-Laws, or any other agreement or instrument in connection herewith, or any action taken or omitted to be taken by Developer under this Master Deed, the By-Laws, or any other agreement or instrument in connection herewith. Such indemnification shall not be extended to the Developer's gross negligence, intentional or willful misconduct. At the cost and expense of the Unit Owner and with legal counsel chosen by Developer, the Unit Owner will defend any and all claims relating to such indemnified matters and will pay any judgments or decrees entered relating thereto.

The indemnity and hold harmless of this Article shall survive the Development Period and shall remain in effect as long as this Master Deed remains in effect.

28. Notices. Notices provided for in the Act, this Master Deed or the By-Laws shall be in writing, and shall be addressed to the Association or any Unit Owner, as the case may be, at such address as provided by the Association or any Unit Owner. The Association may designate a different address or addresses for notices to it by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed above shall be deemed delivered when mailed by a United States registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Master Deed to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

29. Severability. If any provision of this Master Deed of By-Laws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Master Deed and the By-Laws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby, and the remainder of this Master Deed or the By-Laws shall be construed as if such invalid part was never included therein.

30. Captions. The captions herein are inserted only as a matter of convenience, and in no way define, limit, or describe the scope of these provisions or the intent of any provision hereof.

31. Gender and Number. The use of the masculine gender in this Master Deed and in the By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

IN WITNESS WHEREOF, Developer executed this Master Deed this 27th day of October, 2005.

BELMONT LOFTS, LLC,
a Tennessee limited liability company

By: _____
_____, Managing Member

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public in and for the aforesaid State and County, personally appeared Robert W. Lowe, Jr., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he executed the foregoing instrument for the purposes therein contained and who further acknowledged that he is the Chief Manager of Belmont Lofts, LLC, a Tennessee limited liability company, the maker or a constituent of the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand and official seal at Nashville, Tennessee, this 27th day of October, 2005.

J. EVAN GOWER STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY

Notary Public

My Commission Expires: 1/26/06

EXHIBIT A
LEGAL DESCRIPTION

BEING Land in the 3rd, formerly the 22nd Civil District of the City of Nashville, Davidson County, Tennessee, being Lot No. 123 on the Plan of Belmont Land Company's Property, called "Belmont Heights", as of record in Book 421, page 34, Register's Office for said County, as follows:

SAID Lot No. 123 fronts 100 feet on the easterly side of Belmont Boulevard and runs back 186 feet, more or less, on the northerly line and 186 feet on the southerly line, with the northerly margin of Linden Avenue, to an alley measuring 90 feet thereon.

Being the same property conveyed to Belmont Lofts, LLC, by deed from GSP Properties, LLC and Landis Properties, LLC, dated October 21, 2005, and of record as Instrument Number ~~_____~~, Register's Office for Davidson County, Tennessee.

#20051028-0130474

EXHIBIT B

COMMON AREA OWNERSHIP

Unit Number	Unit Type	Square Footage	Percentage Ownership of Common Elements	Street Address	Allocated Parking Spaces
1	House	3,600	28.00%	2218 Belmont Blvd., Unit 101	2
2	Flat 1	1,179	9.17%	1622 Linden Avenue	1
3	Townhouse 1	1,531	11.91%	1618 Linden Avenue	1
4	Townhouse 2	1,073	8.34%	1616 Linden Avenue	1
5	Flat 2	1,211	9.42%	2218 Belmont Blvd., Unit 102	1
6	Penthouse 1	1,478	11.49%	1624 Linden Avenue	1
7	Penthouse 2	1,487	11.56%	1620 Linden Avenue	1
8	Flat 3	1,300	10.11%	2218 Belmont Blvd., Unit 202	1
		12,859	100.00%		

EXHIBIT C
BY-LAWS

BY LAWS

OF

BELMONT LOFTS CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
Association of Unit Members

Section 1. Eligibility. The Members of Belmont Lofts Condominium Association, Inc. a Tennessee not for profit corporation, shall consist of the Unit Owners of the Property known as Belmont Lofts, located at 2218 Belmont Avenue, Nashville, Tennessee 37212 (the "Property"). If a Unit Owner is a trust, then the member shall be a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, the member may be an officer, partner or employee of such Unit Owner or beneficiary.

Section 2. Succession. The membership of each Unit Owner shall terminate when he ceases to be Unit Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest.

Section 3. Annual Meeting. The annual meeting of the Association (except for the First Annual Meeting, as hereinafter defined) shall be held on the first Tuesday of the second calendar month following the close of the association's fiscal year. The first annual meeting of the Association (the "First Annual Meeting") will be called by Developer at such time as, in its discretion, it deems best, but in no event shall such meeting take place later than the expiration of the Development Period.

Section 4. Special Meeting. Special meetings may be held at any time upon the call of the President or upon the written demand by the Unit Owners of at least thirty percent (30%) of all the votes entitled to be cast at such a meeting, said written demand to be delivered to the Secretary. Upon receipt of such demand, the Secretary shall send out notices of the meeting to all members of the Association.

Section 5. Notice of Meetings. A written or printed notice of every meeting of the Association, stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the place, day and hour thereof and the purpose therefor, shall be given by the Secretary or the person or persons calling the meeting at least twenty (20) days before the date set for such meeting (but no more than sixty (60) days before such meeting). Such notice shall be given to each member in any of the following ways: (a) by any manner permitted under the Deed, or (b) by leaving the same with him personally, or (c) by leaving the same at the residence or usual place of business of such member, or (d) by mailing it, postage prepaid, addressed to such member at his address as it appears on the records of the Association, or (e) if such member

cannot be located by reasonable efforts, by posting said notice on the entrance of each unit. If notice is given pursuant to the provisions of this section, the failure or any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings at such meeting. In the case of a special meeting or in the case of an annual meeting at which Unit Owners will be called upon to approve: (1) director or officer conflicts of interest; (2) indemnification of officers, employees or agents; (3) any amendment to the Association charter; (4) an amendment of these By-Laws; (5) a merger of the Association with another entity; (6) dissolution of the Association or (7) any other matter now or hereafter governed by the notice provisions of the Tennessee Nonprofit Corporation Act, the written or printed notice shall also state the purpose or purposes for which the meeting is called. Upon written request for notices, mailed by certified mail, addressed to the secretary of the Association at the address of the Association, the holder of any duly recorded first mortgage or deed of trust against any Unit may obtain a copy of any and all notices permitted or required to be given, and any such mortgage requesting such notice shall thereafter receive all notices sent to the members from and after receipt of said request until said request is withdrawn or said mortgage is discharged of Record.

Section 6. Waiver of Notice. The presence of all the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall, at the opening of such meeting, object to the holding of the same for noncompliance with the provisions of Section 5 of this Article I. Any meeting so held without objection shall, notwithstanding the fact that no notice thereof was given, or that notice given was improper, be valid for all purposes, and at such meeting any general business may be transacted and any action may be taken; provided, however, that where a member has pledged his vote by mortgage, deed of trust or agreement of sale, only the presence of the pledgee will be counted in determining whether notice is waived with regard to business dealing with such matters upon which the member's vote is so pledged.

Section 7. Quorum; Voting. At any meeting of the Association, a simple majority of the unit Owners, present in person or by proxy, shall constitute a quorum, and, except as otherwise provided herein, in the Master Deed or in the Act, the concurring vote of a Majority of the Unit Owners shall be valid and binding upon the Association. In the event a member has pledged his vote by mortgage, of trust or agreement of sale, the member's vote will be recognized in computing a quorum with respect to any business conducted concerning such matters upon which said member's vote is so pledged or mortgaged unless the mortgage, deed of trust or agreement of sale provides otherwise, in which event such instruments shall control. In the event of such mortgage or pledge, the Unit Owner shall provide the Association with a copy of the pledging or mortgaging instrument.

Section 8. Membership; Voting. Any Person or combination thereof owning any Unit duly recorded in his or its name, the ownership of which shall be determined by the records of the Register's Office for Davidson County, Tennessee, shall be a member of the Association, and either in person or by proxy entitled to a vote equivalent to one vote for each Unit so owned at all meetings of the Association. Any provision to the contrary notwithstanding, co-owners or joint owners shall be deemed one Unit Owner and one member. The authority given by a member to another person to represent such member at meetings of the Association shall be in writing, signed by such member (or if a Unit is jointly owned then by co-owners or joint owners,

by all such co-owners or joint owners; or if such member is a corporation, by the proper officers thereof, and shall be filed with the Secretary, and unless limited by its terms, such authority shall be deemed good until revoked in a writing filed with the Secretary. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any Unit owned or held by him in such capacity, whether or not the same shall have been transferred to his name by a duly recorded conveyance. In case such Unit shall not have so been transferred to his name, he shall satisfy the Secretary that he is the executor, administrator, guardian or trustee holding such Unit in such capacity. Whenever any such Unit is owned by two or more persons jointly according to the Record, the vote thereof may be exercised by any one of the owners present in the absence of protest by the other or others; PROVIDED, HOWEVER, that when the vote of an owner or owners has been pledged by mortgage or deed of trust of Record, only the vote of the pledgee will be recognized upon those matters upon which the owner's or owners' vote is so pledge except as otherwise provided in Section 7.

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

ARTICLE II
Board of Directors

Section 1. Number and Qualification. The affairs of the Association shall be governed by a board of directors (the "Board of Directors" or the "Board") composed of three (3) persons, and all such directors shall be Unit Owners (or owners of an interest in a Unit).

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties granted thereto in the Master Deed and all other powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law, by the Master Deed or by these By-Laws directed to be exercised and done by the Unit Owners.

Section 3. Other Powers and Duties. In addition to duties imposed by the Master Deed, these By-Laws or by resolutions of the Association, the Board of Directors shall have the following powers and duties:

(a) to elect and remove the officers of the Association;

(b) to administer the affairs of the Association and the Property;

(c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer and operate the Property or any part hereof for all Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that any management agreement relating to the Property shall be terminable for cause upon thirty (30) days' notice and

shall have a term of not less than three (3) years, which term shall be renewable upon approval of the Board of Directors; and provided further, however, that any such management agreement entered into during the Development Period shall be terminable by the Association without cause or penalty on ninety (90) days' prior notice.

(d) to formulate policies for the administration, management and operation of the Property and the Common Elements;

(e) to adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;

(f) to provide for the surveillance, maintenance, repair, and replacement of the Common Elements, including any and all balconies, and payments therefor, and to approve payment vouchers or to delegate such approval to the officers or the manager or Managing Agent;

(g) 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 Property and the Common Elements, and to delegate any such powers to the Managing Agent (and any such employees or other personnel who may be the employees of a Managing Agent);

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

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

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

(k) to enter into any lease of premises suitable for use as guest or custodian apartments, upon such terms as the Board may approve;

(l) to borrow money for the purpose of repair or restoration of Common Elements without the approval of the members of the Association;

(m) to secure insurance policies as required by the Master Deed, and in this regard, annually to review the amounts of coverage afforded by such policies.

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

(o) to exercise all other powers and duties of Unit Owners as a group referred to in the Act, or in the Master Deed or these By Laws.

The Association shall not, in any event, be bound either directly or indirectly by any contract or lease entered into by the Developer on behalf of the Association (excluding the management contract with the Managing Agent) unless such contract or lease has a term of one (1) year or less and contains a right of termination, which is exercisable without cause and without penalty at any time after passage of control from the Developer to the Association, upon not more than ninety (90) days' notice.

Section 4. Manager or Managing Agent; Employees Generally. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 3 of this Article. The duties conferred upon the Managing Agent by the Board of Directors may be at any moment revoked, modified or amplified by the vote of the Association in a duly constituted meeting. The Board of Directors and/or the Managing Agent (with the approval of the Board of Directors) may employ any other employees or agents to perform such duties at such salaries as the Board of Directors may establish. The Board of Directors may enter into such service contracts on behalf of the Association as are necessary and appropriate and shall have the authority, but not the obligation, to assume, on behalf of the Association, any initial service contracts entered into by Developer that comply with the requirements and limitations imposed herein.

Section 5. Election and Term of Office. The directors of the Association shall be elected by the affirmative vote of not less than a majority of the Unit Owners. At the First Annual Meeting, the terms of office for the first board of directors (the "First Board") shall be fixed wherein two directors shall serve for one year, two directors shall serve for two years and one director for three years. At the expiration of the initial term of office of each respective director, his successor shall be elected by all those entitled to vote to serve a term of three years. The directors shall hold office until their successors have been elected and hold their first meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the elected directors may be removed with or without cause by not less than two-thirds (2/3) of the Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 8. Compensation. No compensation shall be paid to directors for their services as directors. No remuneration shall be paid to a director for services performed by him

for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. A director may not be an employee of the Association.

Section 9. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within one week of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing the whole Board is present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by not less than two-thirds (2/3) of the directors.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days notice to each director, given personally or by mail, addressed to his residence, or by telephone, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of not less than two (2) directors.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. Board of Directors' Quorum. At all meetings of the board of Directors, two-thirds (2/3) of the directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a different time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Bonds of Officers and Employees. The Board of Directors shall require that all officers and employees (including without limitation any management agent) of the corporation handling or responsible for corporate funds shall be covered by blanket fidelity bonds naming the Association as obligee, which bonds shall be in an amount not less than one hundred fifty percent (150%) of the estimated annual operating expenses of the Project. Each such bond shall contain an agreement to notify the Board, the holder of a first mortgage or deed of trust on a Unit and every other person in interest who shall have requested such notice at least thirty (30) days' prior notice of any cancellation or material alteration of such bond. The premiums on such bonds shall be paid by the Association as a common expense of the Association.

ARTICLE III
Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in their judgment may be necessary. An officer may serve in more than one capacity; provided, however, that there shall be no less than two (2) persons serving as officers; and further provided that no one person shall serve as both President and Secretary simultaneously.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

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

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

Section 7. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of the Association; shall give all notices as provided by these By-Laws, and shall have other powers and duties as may be incidental to the office of Secretary, given him by these By-Laws or assigned to him from time to time by the directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro

tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

Section 8. Auditor. The Association may at any meeting appoint some person, firm or corporation engaged in the business of auditing to act as auditor of the Association and to perform such audits and fiscal duties as may be requested of him by the Association.

ARTICLE IV
Assessments

Section 1. Annual Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated common expenses and cash requirements for the year, including, but not limited to, salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses. To the extent that the assessments and other cash income collected from Unit Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account. The annual budget shall also take into account the estimated net available cash income for the year from the lease, operation or use of the Common Elements. The annual budget shall provide for a reserve for contingencies for the year and replacements, in reasonable amounts as determined by the Board.

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Unit Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. The proportionate share for each Unit Owner shall be comprised of a fixed amount per unit, to be established by the Board.

The following costs and expenses shall be assessed to the Unit Owners based the respective ownership interest in the Common Elements as set forth in Exhibit B to the Master Deed: termite, rodent, and other pest control, repair, and extermination, insurance purchased by the Association, and general maintenance and repairs. All other costs and expenses of the Association that benefit the Property as a whole shall be divided equally per each Unit, not based the respective ownership interest in the Common Elements as set forth in Exhibit B to the Master Deed. These include, but are not limited to, landscaping and lawn maintenance, management fees, legal, accounting, or other professional fees, office supplies, reserves, fees incurred with the corporate operation of the Association, and any other miscellaneous fees incurred by the Association. In addition to the above, the Board shall segregate as many assessments as possible as apply to Limited Common Elements in the event a cost or expense specifically benefits one Unit or group of Units and does not benefit others, and only assess those Units which are benefited by that cost or expense or have access to those Limited Common Elements.

In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the Managing Agent or otherwise as directed by the Board. No Unit Owner shall be relieved of his obligation to pay any assessment by abandoning or not using his Unit, the Common Elements, or the Limited Common Elements.

Section 3. Partial Year or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his Unit, each Unit Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be computed by the Board.

Section 4. Annual Report. Within ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as practicable, the Board shall cause to be furnished to each Unit Owner a statement for such year, showing the receipts and expenditures and such other information as the Board may deem appropriate.

Section 5. Supplemental Budget. In the event that, during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget.

Section 6. Expenditures. Except for the Management Agreement described in Article II, Section 3(c) hereof and expenditures and contracts specifically authorized by the Master Deed and By Laws, the Board shall not approve any expenditure in an amount in excess of ten percent (10%) of the annual budget for the then current year, unless required for emergency repair, protection or operation of the Common Elements or Limited Common Elements, nor enter into any contract for more than three (3) years, without the prior approval of two thirds (2/3) of the total ownership in the Common Elements.

Section 7. Lien. It shall be the duty of every Unit Owner to pay his proportionate share of the common expenses as provided in the Master Deed, and as assessed in the manner herein provided.

If any Unit Owner shall fail or refuse to make any such payment of assessments when due, such delinquent payment shall be subject to a late charge in an amount established by the

Board, and such delinquent payment shall also bear interest at the rate of twelve percent (12%) per annum. Such delinquent payment, together with penalty and interest, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Unit Owner in the Property.

The Association, or its successors and assigns, acting through the Board of its agents, shall have the right to maintain a suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with legal interest and reasonable attorney's fees. The Association, acting through the Board, shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Act, the Master Deed, or these By Laws, or as are otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 8. Records and Statement of Account. The Board 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 may determine.

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

Section 9. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Unit. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorney's fees, incurred by reason of such lien.

Section 10. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth on Exhibit B to the Master Deed.

Section 11. Working Capital. A working capital fund shall be maintained by the Association during the initial months of the Property's operation, in an aggregate amount equal to at least one month's assessments for each Unit. Each Unit's share of the working capital fund must be collected and transferred to the Association at the time of the closing of the sale of each Unit and maintained in an account for the use and benefit of the Association. The Developer, however, shall not be required to make contributions to the working capital fund until the end of the Development Period. The purpose of the working capital fund is to insure that the Association will have cash available to meet unforeseen expenditures, and/or to acquire additional equipment or services deemed necessary or advisable by the Board, and disbursements

from such fund shall be made as directed by the Board. Amounts paid into the working capital fund shall in no event be considered advance payment(s) of monthly assessments.

During the Development Period, the Developer shall not use the working capital funds to defray its own expense, or construction costs, or to make up any budget deficits. When, however, unsold Units are sold, the Developer may use funds collected at closing for the working capital fund to reimburse itself for any sums it has paid the Association for unsold Units' shares of such fund.

Section 12. Developer. Developer shall not be responsible, while owning any of the Units, for any assessments. During the Development Period, Developer may, but is not required to, contribute monies to the Association for the operation and activities of the Association.

ARTICLE V
Use and Occupancy Restrictions

Section 1. General. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others.

Section 2. Maintenance and Repair.

(a) Every Unit Owner must perform promptly all maintenance and repair work within his Unit that, if omitted, would affect the Property in its entirety or a part belonging to other Unit Owners, and is responsible for the damages and liabilities that his failure to do so may cause.

(b) All the repairs of internal installations of a Unit such as water, light, power, sewage, telephone and sanitary installations, lamps and all other accessories belonging to the Unit area shall be maintained at the Unit Owner's expense.

(c) A Unit Owner shall reimburse the Association for any expenditure incurred in repairing or replacing any Common Elements damaged through the Unit Owner's fault, together with a fee equal to twenty percent (20%) of the cost of any such repair or replacement.

Section 3. Use of Units. All units shall be used in accordance with the provisions of the By-Laws, the Master Deed and the Rules and Regulations.

Section 4. Leases. All leases or rental agreements for Units shall be in writing and must be specifically subject to the Master Deed and By laws. A copy of every such lease, as and when executed, shall be furnished to the Board. No Unit may be leased or rented for a period of less than six (6) months nor more than two years. The lessee under every such lease shall be bound by and subject to all of the obligations under the Master Deed and By Laws, of Unit

Owner making such lease and the lease shall expressly so provide. Any Unit Owner making such lease shall not be relieved thereby from any of said obligations. The Board shall have all the authority in its sole discretion to require at any time that any Unit Owner who is leasing his Unit, place on deposit with the Board such sums as the Board may require and determine to be used as an indemnity against loss or damage to the Common Elements which might be caused by such Unit Owner's lessee, but in no event may the Board require the deposit to exceed $500.00. The terms of the indemnity shall be such terms as might be satisfactory to the Board. The Board shall furnish Unit Owner a notice in writing which shall constitute that Unit Owner's notice to make such deposit. In the event Unit Owner fails to comply with the terms of the notice within ten (10) days from the date the notice is mailed to him, the Board at its option may elect to terminate the subject lease. The Board shall give Unit Owner and his lessee notice of such election in writing.

Section 5. Use by Developer. During the period of sale by Developer of any Units, Developer, Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Buildings and Property as may be required for the egress for purposes of sale of Units. In addition, Developer reserves the right to enter into, upon, over and under any Unit for a period of one (1) year after the date of sale of the Unit for such purposes as may be reasonably necessary for Developer or its agents to service any Unit. While Developer owns any of the Units and until each Unit sold by it is occupied by Purchasers, Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection herewith.

Section 6. Rules and Regulations. In order to assure the peaceful and orderly use and enjoyment of the Buildings and Common Elements of the Property, the Association may from time to time adopt, modify and revoke in whole or in part by a vote of not less than sixty-seven percent (67%) of the members at any meeting duly called for the purpose, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons in said Property as it may deem necessary. The Rules and Regulations, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Unit Owner and shall be binding upon all members and occupants of the Property.

The initial Rules and Regulations shall be these:

1. The entrances of the Buildings shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No exterior of any Unit or the windows or doors thereof or any other portions of the common elements shall be painted or decorated by any Unit Owner in any manner without the prior consent of the Board.

3. No furniture, equipment or other personal articles shall be placed in the entrances or other Common Elements other than in enclosed balconies and patios.

4. No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants of any of the Units in the Property or do or permit anything to be done therein that will interfere with the rights, comfort or convenience of other Unit Owners.

5. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used in or about the Buildings or Common Elements except such as shall have been approved by the Board.

7. No window shutters shall be used in or about the Buildings or Common Elements without prior consent of the Board.

8. All interior curtains, blinds and window treatments in the Units shall have white backings so that only such white backing shall be visible from the exterior of the Buildings.

9. No sign, notice, lettering or advertisement shall be inscribed or exposed on or at any window, door or other part of the Property, except such as shall have been approved in writing by the Board; nor shall anything be projected out of any window of the Buildings without similar approval.

10. All garbage, refuse, and ashes from the Buildings shall be deposited with care in receptacles intended for such purpose only at such times and in such manner as Managing Agent shall direct.

11. Water closets and other water apparatus in the Buildings shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

12. All balconies and patios shall be maintained neatly and cleanly. All plants on such balconies and patios must be potted and all pots must have drip pans. No personal belongings other than outdoor furniture and accessories may be stored or displayed on unenclosed balconies. All furniture placed on the balconies or patios must be black. Any drain located on a balcony must be exposed, remaining clear and unblocked. No satellite dishes or similar devices shall be placed or installed on balconies. Any repairs or maintenance of any balconies, including those not designated as Common Areas, shall be the responsibility of the Association.

13. Caged birds or animals, house cats, and dogs may be kept in a Unit Owner's Unit unless the same shall become a nuisance or disturbance to other Unit Owners. In no

event shall any other bird or animal be kept or harbored in the Buildings. No pets that weigh over 50 lbs. shall be allowed. All Unit Owners shall obey all applicable leash laws, will not allow their pets to run loose at any time, and will not leave them tied up outside their Units. Unit Owners shall be responsible for any and all waste created by their pets, and, if so designated by the Association, shall abide by any and all other rules created by the Association pertaining to pets.

14. No radio, television aerial or satellite dish shall be attached to or hung from the exterior of the Buildings, including placed on the roof or roof terraces, without written approval of the Board.

15. The agents of Managing Agent, and any contractor or workman authorized by Managing Agent, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Deed, these By-Laws or the Rules and Regulations.

16. Other than as provided in areas designated as a roof deck or patio, including walkways and stairwells, and as governed by these Rules, no Unit Owner or any employee or any client, visitor or guest of a Unit Owner shall be allowed on the roof of the Buildings without the express permission of the Managing Agent or the Board.

17. All damage to the Buildings or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

18. No Unit Owner shall interfere in any manner with any portion of the heating, air-conditioning or lighting apparatus that are part of the Common Elements and not part of the Unit Owner's unit.

19. No Unit Owner shall use or permit to be brought into the Buildings any inflammable oils or fluids such as gasoline, kerosene, naphtha or benzine, or other explosives or articles deemed extra hazardous to life, limb or property, without in each case obtaining the written consent of the Board.

20. The Unit Owners shall not be allowed to put their names on or near any entry to the Buildings or entrance to any Unit, except in the proper places provided by the Board for such purpose.

21. The Unit Owners must keep the interiors of their Units clean and free from obstructions. The Board and the Managing Agent assume no liability for loss or damage to articles stored or placed in the Buildings or Common Area.

22. Any damage to the Buildings or equipment caused by Unit Owners, employees of Unit Owners or their invitees, licensees, guests, visitors, clients or patients shall be repaired at the expense of the Unit Owners responsible for such damage.

23. Unit Owners shall be held responsible for the actions of their employees, invitees, licensees, visitors, clients, patients or guests.

24. Complaints regarding the management of the Buildings and grounds or regarding the actions of other Unit Owners shall be made in writing to the President.

25. Supplies, goods and packages of every kind are to be delivered in such manner as the Board may prescribe, and the Board is not responsible for the loss or damage of any such property, even if such loss or damage that may occur through the carelessness or negligence of the employees of the Buildings.

26. No Unit shall be used or occupied in such manner as to obstruct or interfere with the enjoyment of occupants, or other residents of adjoining Units; nor shall any nuisances or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

27. The Common Elements are intended for use for the purpose of affording movement within the Buildings and of providing access to the Units. No part of the Common Elements shall be obstructed so as to interfere with its use for the purposes hereinabove recited. Nor shall any part of the Common Elements be used for general storage purposes after the completion of the construction of the Buildings by Developer, except the maintenance storage room(s); nor shall anything be done therein or thereon in any manner that may increase the rate of hazard and liability insurance covering said area and the improvements situated thereon. No Unit Owner shall penetrate or core drill into the slabs, which comprise part of the Common Elements.

28. Except for any private deck, patio, or other structure located on the roof which is considered part of a particular Unit, any other deck or patio located upon the roof of the Buildings not included in the description of an individual Unit shall be part of the Common Elements and available to all Unit Owners and their employees, clients, visitors or guests. The permitted hours of use of such deck or patio are from 9:00 A.M. to 10:00 P.M. Any use of the deck or patio for parties or functions shall be subject to approval of the Association, which shall determine the procedures for application for approval and the guidelines for granting such approval and the use of the deck or patio. Kegs and/or bottles of hard spirits or liquor shall not be permitted on the deck or roof under any circumstances.

Section 7. Remedies. In the event of any violation of the provisions of the Act, the Master Deed, these By-Laws or the Rules and Regulations by any Unit Owner (either by his own conduct or by the conduct of any occupant of his Unit), the Association, or its successors or assigns, shall have each and all of the rights and remedies that may be provided for in the Act, the Master Deed, these By-Laws and/or the Rules and Regulations, or that may be available at law or in equity.

Section 8. Right of Entry. The Managing Agent or any person authorized by the Board of Directors shall have the right to enter each Unit at any time in cases of emergency and

at all other reasonable times if the Unit Owner or Occupant is present. Every Unit Owner and Occupant shall permit other Unit Owners or their representatives to enter his Unit at reasonable times for the purpose of performing authorized installations, alterations or repairs to any Common Elements therein for central services provided that requests for entry are made in advance.

ARTICLE VI
Amendments

These By Laws may be amended, modified or revoked in the same manner as the Master Deed, PROVIDED, HOWEVER, that the contents of these By-Laws shall always contain those particulars that are required to be contained herein by the Act.

ARTICLE VII
Liability of Officers, Directors and Members; Indemnification

Section 1. Exculpation. No director or officer of the Association shall be liable for acts or defaults of any other officer or member or for any loss sustained by the Association or any member thereof, unless the same has resulted from his own willful misconduct or gross negligence.

Section 2. General. To the extent permitted by law, the Association shall indemnify and hold harmless each of its Directors and officers, each member or any committee appointed pursuant to these By Laws, against all contractual and other liabilities to others arising out of contracts made by, or other acts of such Directors, officers, or committee members on behalf of Unit Owners, or arising out of their status as Directors, officers, or committee members, 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 otherwise, in which any such Director, officer, or committee member may be involved by virtue of such person's being or having been such Director, officer, or committee member, provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person's being adjudged liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member.

Section 3. Success on Merits. To the extent that a member of the Board, or an officer of the Association, or a member of any committee appointed pursuant to these By Laws has been

successful on the merits or otherwise defense of any action, suit or proceeding referred to in Section 1, 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.

Section 4. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in Article VII.

Section 5. Miscellaneous. 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 Article; provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the Directors, officers, or members of such committees, 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 Unit Owners in the Common Elements. Every agreement made by the Directors, officers, or members of such committees, or by the Managing Agent on behalf of Unit Owners shall provide that the Directors, officers, or members of such committees, or the Managing Agent, as the case may be, are acting only as agents for Unit Owners 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 percent interest of all Unit Owners in the Common Elements. The indemnification provided by this Article VIII 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 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 a member of the Board, officer of the Association, or member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE VIII
Indemnification of Developer

The Association, Officers, and Board of Directors, and each individual Director, hereby agree to indemnify and hold harmless Developer, its successors and assigns and does hereby indemnify and hold harmless Developer, its successors and assigns, from and against any losses, damages, expenses or liabilities, obligations, penalties, actions, judgments, suits, costs, including attorney fees and disbursements of any kind or nature whatsoever which may be imposed in, incurred by or served against Developer in any way relating to or arising out of the Property, the Master Deed, these By-Laws, or any other agreement or instrument in connection herewith, or any action taken or omitted to be taken by Developer under the Master Deed, these By-Laws, or

any other agreement or instrument in connection herewith, with such indemnification not extending to gross negligence, willful or intentional misconduct. At the cost and expense of the Association and with legal counsel chosen by Developer, the Association will defend any and all claims relating to such indemnified matters and will pay any judgments or decrees entered relating thereto.

The indemnity and hold harmless of this Article shall survive past the Development Period and shall remain in effect as long as this Master Deed remains in effect.

ARTICLE IX
Deeds of Trust and Mortgages

Any holder, insurer or guarantor of a deed of trust or mortgage with respect to a Unit may file a copy of such instrument with the Board through the Secretary, or otherwise identify to the Board through the Secretary, or otherwise identify to the Board through the Secretary the name and address of such older, insurer or guarantor and the number or address of the corresponding Unit, and the Board through the Secretary shall be required to notify such holder or mortgagee of:

(1) Any condemnation loss or any casualty loss that affects a material portion of the Property or the Unit covered by such mortgage or deed of trust;

(2) Any delinquency in the payment of expenses or charges owed relating to the Unit that is covered by such mortgage or deed of trust that remains uncured for sixty (60) days, and that the holder or mortgagee may, at its option, pay such delinquent expenses;

(3) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(4) Any proposed action that would require the consent of a specified percentage of deed of trust or mortgage lien holders.

Any holder of a deed of trust or mortgage with respect to a Unit or any insurer or guarantor of such mortgage or deed of trust may, upon written request to the Board through the Secretary, receive a copy of the Association's financial statement for the immediately preceding fiscal year.

ARTICLE X
Books and Records

Current copies of the Master Deed, these By-Laws, other rules and regulations concerning the Property, and the books, records and financial statements of the Association shall be available for inspection by any Unit Owner or by any holder, guarantor or insurer of any first

mortgage or deed of trust covering a Unit at the principal office of the Association. For purposes of this paragraph, "available" shall mean available for inspection, upon request, during normal business hours. Copies may be purchased by such persons at reasonable cost, to be established from time to time by the Board.

ARTICLE XI
Rights of Developer During Development Period

Section 1. Development Period. As used in these By-Laws, the term "Development Period" shall have the meaning set forth in Paragraph 1(i) of the Master Deed.

Section 2. Meetings of Association. Notwithstanding those provisions of Article I of these By-Laws that are to the contrary, meetings of the Association during the Development Period shall take place only upon the call of Developer. At any such meeting, Developer may (but shall not be required to) submit to a vote of the Unit Owners any matter that properly may come before a meeting of the Association, and the provisions of Article I hereof shall be applicable to all proceedings in connection with any matter so submitted. Except as provided in the immediately preceding sentence, and notwithstanding any provisions of Article I of these By-Laws that is to the contrary, during the Development Period, Developer, in its sole discretion, shall determine all matters that may properly come before the Board and/or the Association.

Section 3. Board of Directors. Notwithstanding those provisions of Article II of these By-Laws that are to the contrary, during the Development Period (a) the Board of Directors shall be composed of such number of persons, not to exceed five (5), as Developer from time to time shall determine, and (b) the members of the Board of Directors shall be appointed by Developer from time to time, shall serve for such terms and shall be subject to removal by Developer, all as Developer shall determine in it s sole discretion; provided, however, that no such director's term shall extend later than the date of the First Annual Meeting.

Section 4. Officers. Notwithstanding those provisions of Article III of these By-Laws that are to the contrary, during the Development Period, the officers of the Association shall be appointed by Developer from time to time, shall serve for such terms and shall be subject to removal by Developer, all as Developer shall determine in its sole discretion; provided, however, that no such officer's term shall extend later than the organizational meeting of the new Board of Directors following the First Annual Meeting.

Section 5. Amendment of By-Laws During Development Period. Nothing contained in this Article XI shall be deemed to give Developer any right or power to amend these By-Laws or any of the Rules and Regulations during the Development Period without the consent or approval of the number of Unit Owners required hereunder for such purpose. Notwithstanding the provisions of Articles V and VI hereof, these By-Laws and the Rules and Regulations may not be amended by the Unit Owners during the Development Period without the express written approval of the Developer.

ARTICLE XII
Definition of Terms

The terms used in these By Laws, to the extent they are defined therein, shall have the same meaning as set forth in the Master Deed for Belmont Lofts, of record in the Office of the Register of Davidson County, Tennessee.

The term "member" as used in these By Laws, means "Unit Owner" as defined in the Master Deed.

ARTICLE XIII
Conflicts

These By Laws are set forth to comply with the requirements of the Act, as it may be amended from time to time, and to allow the By Laws to control in specific situations where such law allows. In the event any of the By Laws conflict with the provisions of the Act or of the Master Deed, the provisions of the Act or of the Master Deed, as the case may be, shall control.

CERTIFICATION

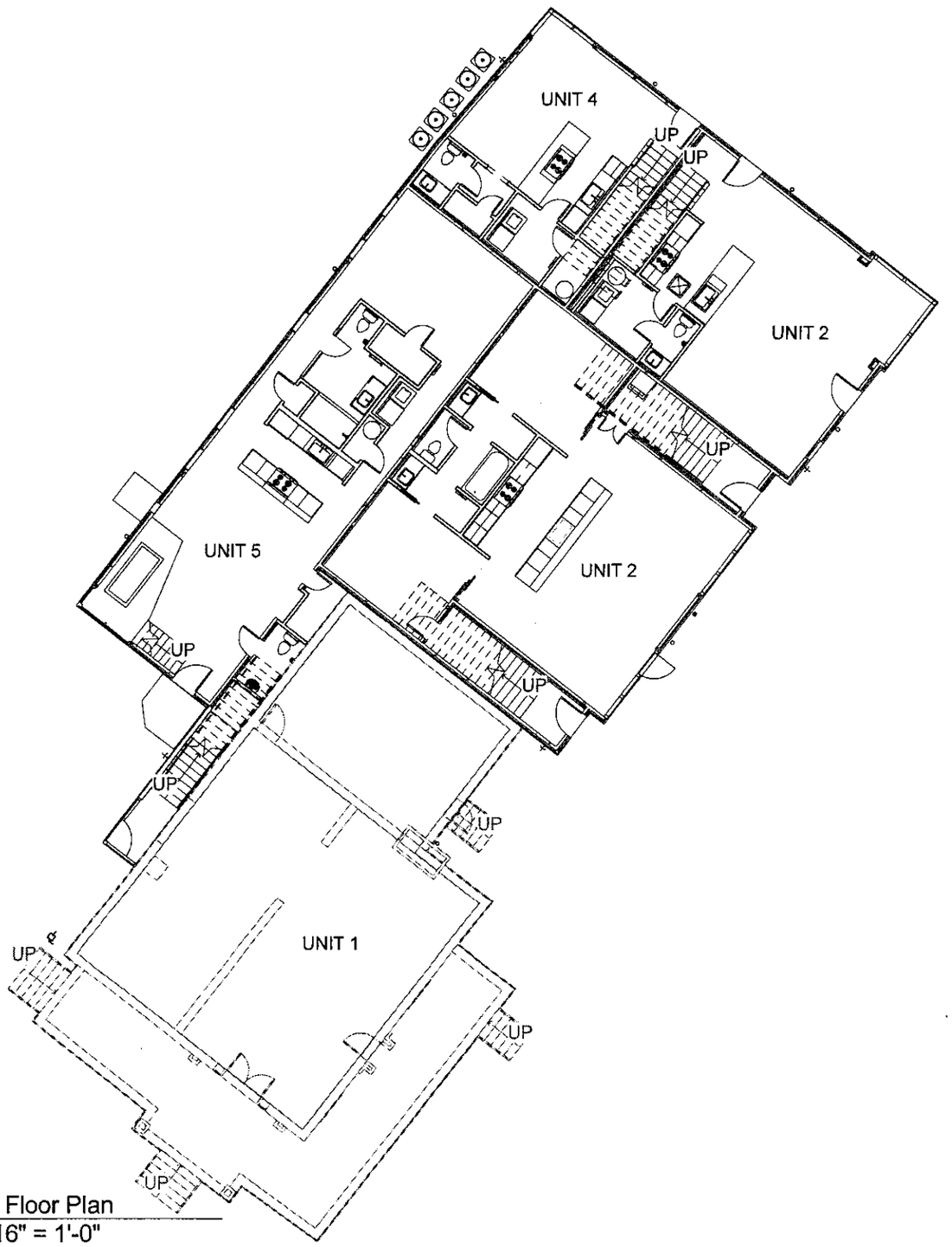
I hereby certify that these by-laws were adopted by the organizational meeting of the corporation held on the 27th day of October, 2005.

"Developer"

BELMONT LOFTS, LLC

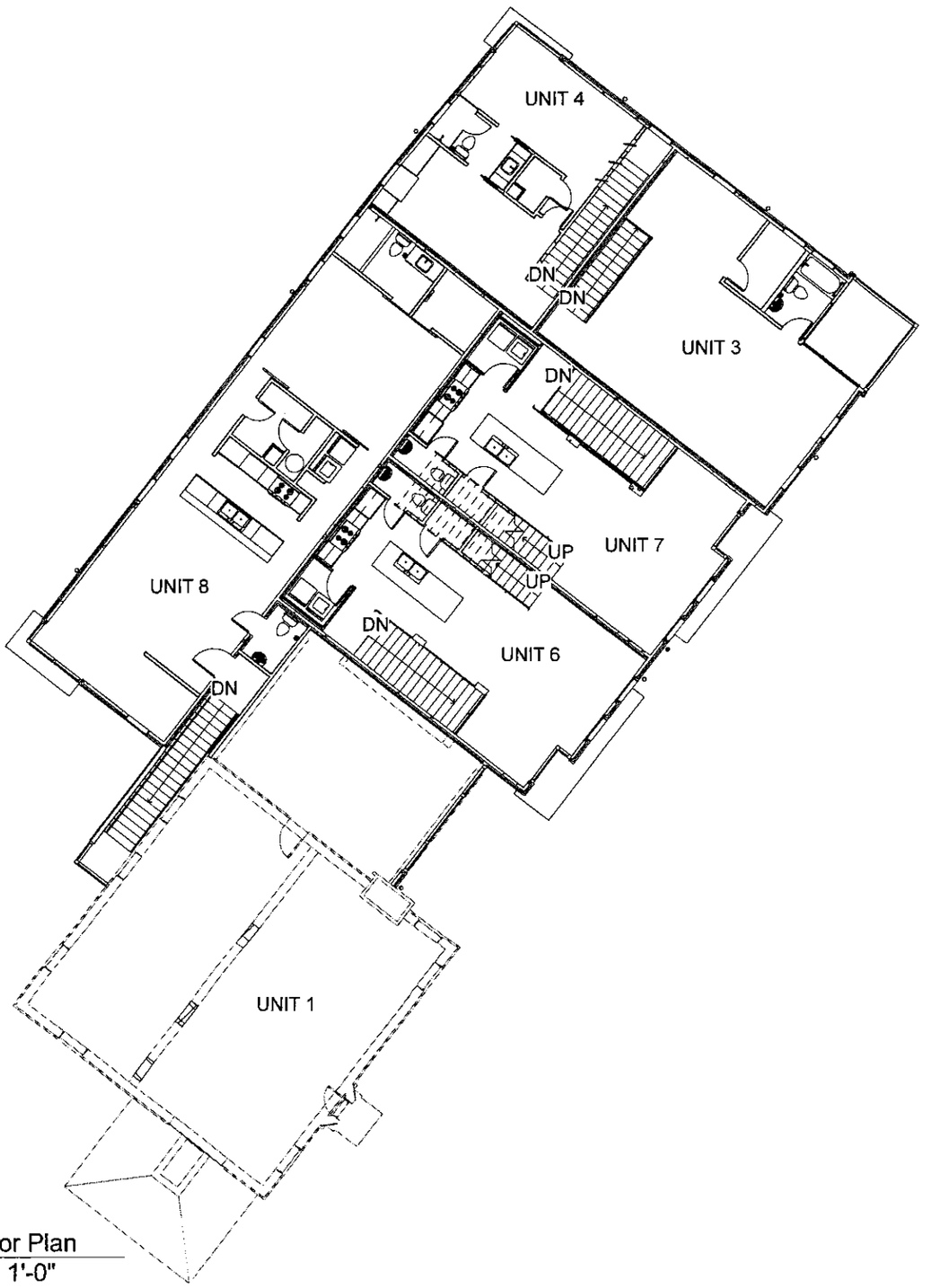
By: _____
_____, Managing Member

EXHIBIT D
PLAT



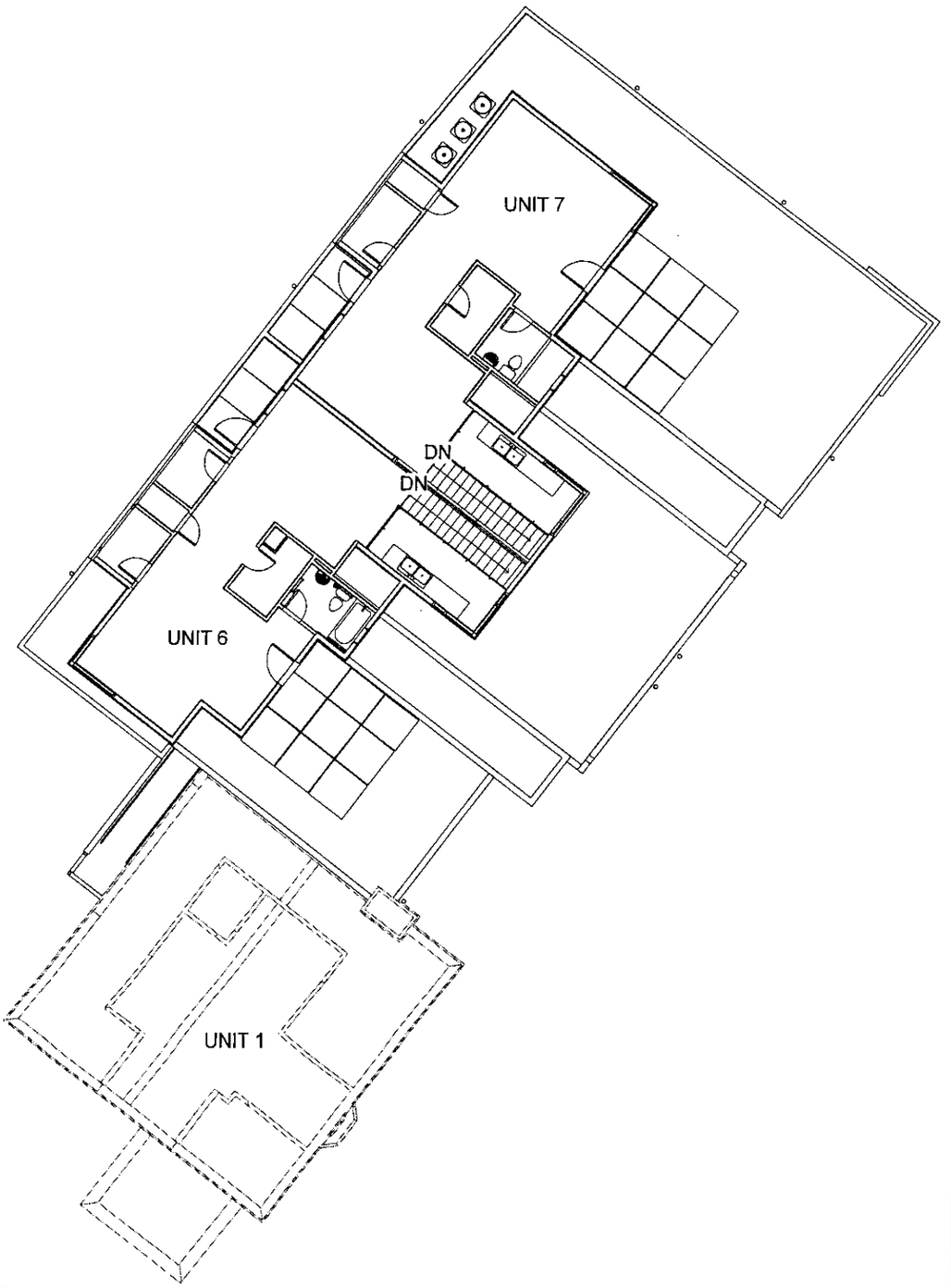
1 1st Floor Plan
1/16" = 1'-0"

MANUEL ZEITLIN ARCHITECTS	1	**Belmont Lofts** 1st Floor Plan P.N.: 0505 DATE: October 6, 2005	1819 21st AVENUE SOUTH NASHVILLE, TN 37212 PHONE: 615-256-2880 FAX: 615-256-4839 manuel@mzarch.com



1 2nd Floor Plan
1/16" = 1'-0"

MANUEL ZEITLIN ARCHITECTS	2	**Belmont Lofts** 2nd Floor Plan P.N.: 0505 DATE: October 6, 2005	1819 21st AVENUE SOUTH NASHVILLE, TN 37212 PHONE: 615-256-2880 FAX: 615-256-4839 manuel@mzarch.com



1 3rd Floor Plan
1/16" = 1'-0"

MANUEL ZEITLIN ARCHITECTS	3	**Belmont Lofts** 3rd Floor Plan P.N.: 0505 DATE: October 6, 2005	1819 21st AVENUE SOUTH NASHVILLE, TN 37212 PHONE: 615-256-2880 FAX: 615-256-4839 manuel@mzarch.com