Box 31-B
S+R
Scott Fielding

Davidson County DEEDMAST
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20070625-0075380

This instrument prepared by:
Sherrard & Roe, PLC (SWF)
424 Church Street, Suite 2000
Nashville, TN 37219

MASTER DEED
OF
THE BLUFFS OF CEDARSTONE

Donelson Cedarstone Associates II, L.P., a Tennessee limited partnership (hereinafter referred to as the "Developer"), pursuant to the provisions of the Tennessee Horizontal Property Act, Tennessee Code Annotated, 66-27-101 to 123 (hereinafter referred to as the "Act") for the purpose of submitting the hereinafter described estate in a tract or parcel of land and the improvements presently located or to be constructed thereon to a horizontal property regime, does hereby declare as follows:

W I T N E S S E T H:

WHEREAS, Developer is the owner of a fee simple estate in and to a certain tract or parcel of land (the "Property") in Davidson County, Tennessee, which is more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, and the improvements presently located thereon consisting of six (6) buildings, containing a total of twenty-five (25) condominium units, together with the adjacent sidewalks, driveways, roads, and other amenities adjacent to and serving such dwellings, as more particularly shown and described on the Site Plan attached hereto as Exhibit "B" and incorporated herein by this reference; and

WHEREAS, Developer desires, by recording this Master Deed, to establish a horizontal property regime under the provisions of the Act to be known as The Bluffs of Cedarstone;

NOW, THEREFORE, Developer does hereby submit the Property and Improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto, including the Easement (as hereinafter defined), to this Master Deed and does hereby establish The Bluffs of Cedarstone as a horizontal property regime under the Act. The Property and Improvements shall hereafter be subject to the provisions of the Act, this Master Deed, the Condominium Bylaws and the Charter of The Bluffs of Cedarstone Homeowners Association, Inc. as hereinafter described.

Developer further declares as follows:

1. DEFINITIONS:

(a) "Act" means the Tennessee Horizontal Property Act, Tennessee Code Annotated, 66-27-101 to 123.

(b) "Additional Phases" means the Units that the Developer reserves the right to construct and make a part of the Condominium Project as provided in Section 8 of this Master Deed.

(c) "Association" means the non-profit corporation known as The Bluffs of Cedarstone Homeowners Association, Inc. to be organized pursuant to the Tennessee Non-Profit Corporation Act of which all Co-owners shall be members, and which shall operate and manage the Condominium Project.

(d) "Building" or "Buildings" means each building or buildings located on the Property. The Buildings are delineated on the Site Plan.

(e) "Charter" means the Charter for the Association as filed on record with the Secretary of State of Tennessee that is also recorded as instrument number 20060929-0121057 in the Register's Office for Davidson County, Tennessee.

(f) "Common Elements" means all of the Property other than the Units, including, without limitation, the General Common Elements and the Limited Common Elements.

(g) "Condominium" means the separate ownership of a Unit, with the interest in the General Common Elements and the Limited Common Elements appurtenant to such Unit as hereinafter defined.

(h) "Condominium Bylaws" shall mean the bylaws attached hereto as Exhibit "D" or any duly enacted amendment thereto.

(i) "Condominium Project" means The Bluffs of Cedarstone as a horizontal property regime established in accordance with the Act.

(j) "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or combination thereof who owns one or more Units in the Condominium Project.

(k) "Corporate Bylaws" shall mean the corporate bylaws of the Association.

(l) Intentionally omitted.

(m) Intentionally omitted.

(n) "Council of Co-owners" means all of the Co-owners, which shall be organized and function in all respects through the Association of which all Co-owners shall be members.

(o) "Developer" means Donelson Cedarstone Associates II, L.P., a Tennessee Limited Partnership, its successors and assigns, which shall include any construction lender or permanent lender or its successors and assigns, in the event that such entity were to elect to succeed to the interest of the Developer under any document evidencing the financing of the construction of the Condominium Project.

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

(q) "Easement" means the right of ingress to and egress from the Condominium Project reserved in the Declaration of Reciprocal Easements of record in Instrument # 20061106-0124722 in the Register's Office for Davidson County.

(r) "Eligible Mortgagees" means mortgagees of Units who have given notice to the Association pursuant to Article VIII of the Condominium Bylaws.

(s) "General Common Elements" means the General Common Elements as defined in the Act and all other portions of the Property and Improvements described in Section 3 hereof.

(t) "Improvements" means the Buildings and all additional facilities and amenities adjacent to and serving such Buildings as described in Section 2 hereof.

(u) "Limited Common Elements" means the Common Elements that are reserved or reasonably meant for the use of a certain Unit or Units to the exclusion of all other Units, and all other portions of the Property and Improvements described in Section 4 hereof.

(v) "Period of Developer Control" means the period commencing on the date hereof and ending on the later of the following dates: (i) three (3) years after conveyance of a Unit to a purchaser other than the Developer (or such earlier date as the Developer may elect by notice to all Co-owners) or (ii) when seventy-five percent (75%) of the Units in the Condominium Project have been conveyed to Purchasers other than the Developer.

(w) "Property" means the fee simple estate in regard to that certain tract or parcel of land described in Exhibit "A" attached hereto and incorporated herein by this reference.

(x) "Site Plan" means the drawing showing the location and the boundary of each Building on the Property attached hereto as Exhibit "B". The Site Plan shall also include an identifying number for each Building.

(y) "Stones River Parcel" means that approximate 3.4 acre parcel described on Exhibit C which may be withdrawn from the Condominium Project in accordance with Section 8.

(z) "Unit" means one or more levels of enclosed space (together with the interior wall surfaces, ceilings and structural supports, floor surfaces, the heating, hot water, and air conditioning apparatus exclusively servicing the Unit whether or not located within the

boundaries of the Unit, and together with all doors and windows located therein, and the interior space within any parking garage attached to such Unit) consisting of one or more rooms located within a Building and having a direct exit to a General or Limited Common Element leading to a public street or highway as described in the Site Plan and is the equivalent of an "Apartment" as defined in the Act. The boundary of each Unit shall be as follows: (1) the upper boundary shall be its highest ceiling; (2) the lower boundary shall be the upper unfinished surface of its floor; and (3) the vertical boundaries (measuring the horizontal area of a Unit) shall be the interior surface of the perimeter walls. For purposes of this definition, wall and floor surfaces shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces.

(aa) "Withdrawal Period" has the meaning set forth in Section 8.

2. IMPROVEMENTS: The Improvements as described in the recitals of this Master Deed consist of the Buildings set forth on the Site Plan showing the number and location of each Unit, its square footage, and the sidewalks, and driveways adjacent to and serving such dwellings and Unit.

3. GENERAL COMMON ELEMENTS: The General Common Elements means all of the Property except for the Units and the Limited Common Elements, and shall include, without limitation, the following:

(a) The foundation, main walls, roof, party walls, all other structural components, fire sprinkler systems, and all other Common Elements within a Building necessary for the existence and upkeep of such Building, including, without limitation, all plumbing and electrical wiring to the point of connection with the mainline;

(b) The fee simple estate in and to the Property.

(c) Roadways, all landscaped areas (including landscaped areas around each Building), and sidewalks, and all yards and gardens except those located within a Unit.

(d) The gazebo.

(e) All entrances and exits or communication ways.

(f) All utility installations up to the point of connection to a Unit (at which times such are deemed Limited Common Elements to such Unit), including, without limitation, electric wiring, plumbing, sanitary lines and all pipes, ducts and other equipment used to provide power, light, telephone, gas, water, heat, or other utility services.

(g) All other devices or installations existing for the common use of the Co-owners and all other elements of the Improvements desirable or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Project that are not Limited Common Elements.

4. LIMITED COMMON ELEMENTS: The Limited Common Elements are reserved for the exclusive use of Co-owners of the Unit to which they pertain and include any patio, porches, or balconies, shutters, awnings, and all fixtures designed to serve a single Unit, any walkway from a Unit or separate driveway adjacent to such Unit, and any parking space assigned and conveyed to a Unit.

5. PERCENTAGE INTERESTS: The percentage interest in the ownership of the General Common Elements is a fraction, the numerator of which is one (1) and the denominator of which is twenty-five (25). The percentage of ownership set forth above in the General Common Elements shall determine the proportionate share of each Co-owner in the expenses of the maintenance and administration of the Condominium Project and the vote such Co-owner shall have at meetings of the Association, except as otherwise provided in the Act or in the Condominium Bylaws. In addition, expenses incurred in the administration of any Limited Common Elements shall be allocated to and paid by the Co-owner(s) of the Unit to which such Limited Common Element was assigned at the time the expense was incurred.

6. PARKING AREA. The parking areas on the Site Plan show the location of certain parking spaces which are General Common Elements reserved for the use of all Co-owners. The Directors may adopt rules and regulations from time to time relating to the use of the parking areas by Co-owners of the Units to which the parking spaces are appurtenant. Such rules and regulations may include the designation and reservation of certain individual parking spaces for the use of handicapped persons.

7. COVENANTS OF CO-OWNERS: Each Co-owner, by accepting ownership of a Unit, agrees on behalf of himself, his successors, heirs, personal representatives and assigns, to the following:

(a) There shall be such permanent easements through and over each of the Units and Limited Common Elements as may be reasonably necessary for the installation, maintenance, replacements and repair of the Limited Common Elements and the other Units.

(b) No part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed and as allowed by municipal zoning laws. Each Unit, shall be used as a residence or such other use permitted by this Master Deed, and for no other purpose, except that the Developer may use one Unit as an office for the conduct of its business during the Period of Developer Control and 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 Co-owner from: (i) maintaining his personal professional library; (ii) keeping his personal business or professional records or accounts; (iii) 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.

(c) In addition to the restrictions set forth in subparagraph (b) of this Section 7, the use of all Units shall also be subject to the Condominium Bylaws, such Rules and Regulations as may be adopted by the Association and applicable law.

(d) In the event any portion of a Unit or a Limited Common Element changes boundaries and thereby encroaches upon another Unit, a General Common Element, or another Limited Common Element due to the shifting, settling or moving of the Improvements, such changed boundaries shall be deemed to constitute the boundaries of the Unit and the General or Limited Common Element so affected.

(e) The administration of the Condominium Project shall be in accordance with the provisions of this Master Deed, the Condominium Bylaws and Corporate Bylaws, and the Rules and Regulations promulgated pursuant thereto. Each Co-owner, tenant or occupant of a Unit shall comply with such Master Deed, Condominium Bylaws and Corporate Bylaws as amended from time to time, and the Rules and Regulations promulgated pursuant thereto.

(f) All assessments against a Unit by the Association for its pro rata share of the expenses of the Condominium Project shall bear interest thereon from the date when the same shall be thirty (30) days past due at the maximum rate allowable by law, and any expense incurred by the Association in the collection or enforcement thereof, including reasonable attorney's fees, shall constitute a lien upon the Unit, and any sale or conveyance of the Unit shall be subject to such lien as provided in the Act. Such lien shall be subordinate to the lien of any mortgage or deed of trust duly recorded before the date of such assessment. Upon written request by any prospective mortgagee or purchaser of a Unit, the Association shall certify to such person whether any assessments have been made as to such Unit that remain unpaid and the amount thereof. If such information is relied upon by a prospective mortgagee or purchaser to its detriment, it shall become binding upon the Association even though such information may later be discovered to have been inaccurate.

(g) In the event that any assessment applicable to a Unit shall remain unpaid for a period or any infraction of the Association's published Rules and Regulations remain unremedied for a period of thirty (30) days after notice to the affected Co-owner and the mortgagee of such Unit, the Association may suspend the enjoyment right of any Co-owner with respect to amenities that are a part of the General or Limited Common Elements until such assessments are paid or the Association receives adequate security for payment or, such infraction shall be rectified.

(h) No time-sharing estates will be created with respect to any Units in any Phase of the Condominium Project.

(i) The Developer during the Period of Developer Control and thereafter the Association shall have the right to grant easements in the General Common Elements or Limited Common Elements to utility companies, governmental authorities, or adjoining property owners for the purpose of securing the provision of utilities and rights of parking or ingress and egress to the Condominium Project or to dedicate a portion of the General Common Elements or any

interest therein to an appropriate governmental authority in furtherance of the foregoing purposes.

(j) No Co-owner nor any other person shall bring any action for partition or division of the Condominium Project or any portion thereof, and every person acquiring any interest in the Condominium Project shall acquire the same subject to this Master Deed and shall be deemed to have waived any right to seek any partition until the Property and Improvements have been removed from the provisions of the Act as provided therein.

(k) The Developer (including its designees, contractors, successors and assigns) shall have the right, in its (and their) sole discretion from time to time, to enter the Condominium Project, or any Improvements or Units located or to be located thereon, and take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or for any other purpose, provided such activity does not prevent or unreasonably interfere with the Co-owners' use or enjoyment of the Condominium Project or otherwise usurp the authority granted the Association herein in the opinion of the Developer.

(l) The Association, on the Association's behalf and on behalf of all Co-owners (each of whom hereby appoints the Association irrevocably as its attorney-in-fact for this purpose), shall have the right to grant such additional general ("blanket") and specific access, electric, water, sewer, drainage, gas or other utility, cable television, security systems, telecommunications or service easements (and appropriate bills of sale for equipment, conduits, pipes, lines and similar installations pertaining thereto), or relocate any such existing utility or service easements or facilities in any portion of the Condominium Project or Association property, to grant access easements or relocate any existing access easements in any portion of the Condominium Project or Association property, and to grant such other easements as the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or for the general health, welfare or business opportunities of the Co-owners or their tenants, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for their lawful purposes.

(m) No legal action may be brought by the Association or any Co-owner against the Developer on account of any alleged defect in material, workmanship, or installation of the General or Limited Common Elements except in compliance with the following requirements:

(i) The Association or such Co-owner shall give the Developer sixty (60) days prior notice and opportunity to cure such defect or condition except in case of emergency endangering persons or property;

(ii) The parties shall endeavor to mediate the dispute for a period of sixty (60) days after the expiration of the Developer's cure period;

(iii) The initiation of legal proceedings against the Developer by the Association or such Co-owner shall have been approved by the

affirmative vote or written consent of Co-owners possessing two-thirds (2/3) of the total percentage of ownership in the Condominium Project;

(iv) Developer's liability in any such action shall be limited to the repair or replacement of any defective item or condition, and Developer shall have no liability for loss of use, injuries to person or property, mold, mildew, or other consequential damages resulting from or in any manner arising out of any defect or condition in the General or Limited Common Elements; and

(v) The prevailing party in such proceeding shall be entitled to recover its reasonable attorney's fees and costs from the nonprevailing party.

(n) The covenants contained herein shall be deemed covenants running with the land. The Association or any Co-owner shall have the right to prosecute any proceedings at law or in equity against any person or persons violating any of the covenants contained herein and to obtain relief by way of injunction, money damages, or both. No delay or omission on the part of the Association or a Co-owner in exercising any right, power or remedy herein provided in the event of any breach of the foregoing covenants shall be construed as a waiver thereof or acquiescence therein. In the event any provision of the foregoing covenants shall be held invalid by judgment or court order, it shall not be deemed to affect any of the other covenants contained herein, which shall continue and remain in full force and effect. In the event that any of the foregoing covenants shall be declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then the term of such covenant shall be reduced to the maximum period of time allowed by the laws of the State of Tennessee. Should the Association or an aggrieved Co-owner employ counsel to enforce any of the foregoing covenants, the Association or such Co-owner, as the case may be, shall be entitled to recover from the breaching Co-owner the attorney's fees and expenses incurred in such action, provided the Association or such Co-owner ultimately prevails in such action.

8. DECLARANT RIGHTS – EXPANSION AND DEVELOPMENTS RIGHTS/RIGHT TO WITHDRAW STONES RIVER PARCEL:

(a) Developer retains legal title and ownership of all development rights associated with the Property and the Condominium Project including those created by or arising pursuant to the Metropolitan Nashville and Davidson County Zoning Ordinance and the Tennessee Code Annotated (the "Development Rights"); specifically, but without limiting the generality of the foregoing, Developer reserves the unfettered right to develop and construct up to an additional fifty-six (56) Units (ie., the amount allowed under the RM 9 zoning designation) at any location on the Property, subject to Directors approval which shall be given if the Directors determine in their reasonable discretion and by majority vote that the additional Units are compatible (in terms of quality of construction and architecture) in all material respects with the existing Units and the location of the additional Units does not materially and adversely effect the use of a Unit by a Co-owner. The additional Units may be developed and constructed in one or more Additional Phases. The contemplated submission of the Additional Phases to Condominium ownership shall be accomplished in an Amendment hereto executed by the Developer alone. An Amendment to this Master Deed will be recorded at the completion and submission of each Additional Phase.

Developer agrees and covenants to use all reasonable efforts to minimize any disruption or disturbance caused by the construction of Additional Phases and agrees to indemnify and save the Association and the Co-owners harmless against any actual damage or cost attributable to such construction. The Amendment submitting Additional Phases to Condominium ownership shall describe the percentage of ownership in the General and Limited Common Elements appurtenant to the Units comprising the Additional Phases, and shall reflect the equitable adjustment made to the percentage of ownership of the General and Limited Common Elements appurtenant to each Unit in the Phases previously submitted, said adjustment being based solely on the total number of Units comprising the Phases submitted at the time of the filing of the Amendments, it being expressly understood that the percentage of ownership shall be a fraction, the numerator of which is 1 and the denominator of which is the total number of Units comprising the Condominium Project. From and after the filing of such Amendment, the Co-owners of Units in Additional Phases shall have and may exercise all of the rights, privileges and obligations incident to ownership of a Unit in the Condominium Project, including, but not limited to, liability for assessments by the Association for its pro rata share of Common Expenses of the Condominium Project and any special assessment with respect to such Unit. Said percentage of ownership shall determine the vote such Co-owner shall have at the meetings of the Association, except as otherwise provided in the Act or the Bylaws. Subject to compliance with the foregoing requirements, no Assessment shall be due and payable with respect to, or levied against, the Units comprising Additional Phases until such Amendment is filed. Developer shall have no obligation to build any amenities in conjunction with the Additional Phases.

Developer may sell, assign, transfer, donate, gift, or convey the Development Rights to any person or governmental entity in the Developer's sole discretion and any consideration or benefit (including any tax benefit) received for such transfer or gift shall inure solely to the Developer or its designated assignees. The recipient of such transferred Development Rights need not have any interest in the Property. The Association and each Co-owner hereby acknowledge that nothing in this Master Deed or on the Site Plan shall be construed as a limitation or waiver of any of the foregoing Development Rights. At the request of the Developer, the Association shall take such additional actions as may be reasonably necessary to evidence the Developer's continued ownership of such Development Rights or to assist the Developer in the conveyance of the Development Rights to any person or governmental entity, including, without limitation, executing documents or amendments to the Master Deed provided, that, Developer shall reimburse the Association for any out-of-pocket expenditures.

In the event that the Developer exercises its rights under Section 8(b) to withdraw the Stones River Parcel, the Development Rights reserved to the Developer herein shall be reduced pro rata based on the reduced Condominium Project.

(b) For a period of three (3) years from the date of filing (the "Withdrawal Period"), the Developer reserves the unilateral right to subdivide the Condominium Project to separate and withdraw the Stones River Parcel from the Condominium Project (with such subdivision to be substantially as shown on Exhibit C) and to cause legal title to the Stones River Parcel to immediately and automatically revert to the Developer without payment or consideration to the Association. Upon approval of the subdivision of the Stones River Parcel by the Metropolitan Nashville Davidson County Planning Commission the Stones River Parcel shall revert

automatically to the Developer and the Developer shall be authorized to file an amendment to this Master Deed to evidence the withdrawal of the Stones River Parcel from the Condominium Project. The Developer may proceed with the subdivision of property and the amendment to the Master Deed without the prior consent of any Co-owner or from the Association and the Developer shall retain this special declarant right during the Withdrawal Period whether or not the Developer owns any Unit or other interest in the Condominium Project. The Association shall use commercially reasonable efforts to assist the Developer in obtaining the approval of the subdivision, including, granting necessary construction, access, ingress and egress easements, electric, water, sewer, drainage, gas or other utility, cable television, security systems, telecommunication or service easements in the Condominium Project for the benefit and use of Stones River Parcel by the public or any future owner of such parcel provided that Developer remains responsible for all costs relating thereto. In addition, an officer of the Association on behalf of the Association shall execute documentation relating to the approval and recording of the new subdivision plat and an appropriate deed to evidence the reversion and conveyance of the Stones River Parcel to the Developer. Upon the withdrawal of the Stones River Parcel, the Association shall have no further obligation to maintain, insure, or pay taxes associated with the Stones River Parcel; such obligations shall revert to the Developer and its successors and assigns. Developer shall provide the Association and each Co-owner an ingress and egress easement across a walking trail on the Stones River Parcel to gain access to the Stones River upon the withdrawal of the Stones River Parcel.

(c) Developer covenants that the use of the Stones River Parcel after its withdrawal from the Condominium Project will be restricted to the following:

(i) The conveyance, gifting or donation of the Stones River Parcel to the Metropolitan Nashville City Government or similar non-profit or governmental entity for use as a public park and uses related and ancillary thereto (Developer shall have sole discretion in determining what constitutes a public park for purposes of this section);

(ii) The conveyance, gifting or donation of the Stones River Parcel (or the grant of an easement or restrictive covenant on the Stones River Parcel) to a qualified governmental or non-profit organization for the purpose of restricting the development of such property and limiting its use to (A) that designed for the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystems; (B) the preservation of land areas for outdoor recreation by, or the education of, the general public; (C) the preservation of open space, (D) the preservation of the scenic enjoyment of the Stones River Parcel and the timber on such parcel; (D) any other purpose deemed to constitute a qualified conservation contribution or (E) any combination of the foregoing;

(iii) Transferring the property to a land trust in Tennessee for use as undeveloped property in perpetuity; or

(iv) The conveyance, gifting or donation of the Stones River Parcel to a governmental entity or non-profit in exchange for the right to transfer the Development Rights to another person, provided, that, in doing so, Developer shall use its commercially reasonable best efforts to ensure that any such conveyance will include restrictions on the Stones River Parcel to preserve the natural habitat of the property.

9. AMENDMENTS: Any amendments to this Master Deed shall be adopted upon the affirmative vote or written consent of Unit Owners possessing two-thirds (2/3) of the total percentage of ownership in the Condominium Project, and Eligible Mortgagees who represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Eligible Mortgagees, except for the amendments set forth below:

(a) During the Period of Developer Control, the Developer may amend this Master Deed and the Site Plan in order to correct survey or other errors made therein.

(b) The Developer and any affected mortgagee may amend this Master Deed and the Site Plan for the purpose of changing the percentage of ownership allocated to and the dimensions of any Units owned by the Developer prior to the first conveyance of any such Units to a person other than the Developer.

(c) The Developer, during the Period of Developer Control and thereafter the Association may execute any amendments necessary to reflect the taking of all or any portion of a Unit by eminent domain.

(d) Amendments to this Master Deed and the Site Plan to change the percentage of ownership or the dimensions of any Units or storage spaces owned by adjacent Co-owners may be adopted upon being duly executed by such Co-owners and any mortgagee having an interest in such Units or storage spaces, provided such amendment does not change either the aggregate ownership percentages or the aggregate dimensions of such Units or storage spaces and is approved by the Directors of the Association subject to such requirements as they may impose as a condition of such approval, including, but not limited to, minimum Unit or storage space size requirements, architectural and engineering plans, maintenance of liability insurance during construction, performance and payment bonds, or otherwise, the expense of which shall be borne by the affected Co-owners.

(e) No amendment shall be permitted that would unfairly discriminate against any non-consenting Co-owner or mortgagee or modify the interest of such non-consenting Co-owner or mortgagee with respect to percentage of ownership allocated to a Unit, the boundaries of such Unit, or lessen the requirements for amendment to this Master Deed.

(f) No amendment shall reduce the rights of Eligible Mortgagees hereunder without the prior written approval of mortgagees of Units to which two-thirds (2/3) of the percentage ownership in the Condominium Project is attributed.

(g) The Developer may amend this Master Deed and the Site Plan to withdraw the Stones River Parcel from the Condominium Project, or to add the Additional Phases to the Condominium Project. No amendment shall reduce or affect the right of the Developer to withdraw the Stones River Parcel from the Condominium Project or to add the Additional Phases.

(h) The following amendments may be made by the Developer alone during the Period of Developer Control and thereafter by the Association without the necessity of a vote of the Co-owners: amendments to correct any scrivener's errors or to make other nonmaterial changes; to comply with applicable federal, state or local laws; or to bring the Condominium Project into compliance with the applicable rules and regulations of the Federal National Mortgage Association ("FNMA"), Department of Housing and Urban Development ("HUD") and Veterans Administration ("VA").

The foregoing amendments shall be deemed effective when duly executed by the Developer or certified by the Association, as the case may be, and recorded by appropriate instrument in the Register's Office of Davidson County, Tennessee.

Any legal proceeding to contest the validity of an amendment must be filed within one (1) year of the date the amendment is recorded in the Register's Office for the County.

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IN WITNESS WHEREOF, the Developer has caused the foregoing Master Deed to be executed by its duly authorized officer on this 12th day of June, 2007.

DONELSON CEDARSTONE
ASSOCIATES II, L.P.

By: Donelson Cedarstone, LLC,
its general partner

By: _____
Name: Floyd Shechter
Title: Managing Member

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Before me, Jay Rosenblum, of the State and County aforesaid, personally appeared Floyd Shechter, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Managing Member of Donelson Cedarstone, LLC, the general partnership of Donelson Cedarstone Associates II, L.P., the within named bargainor, a Tennessee limited partnership, and that he, being authorized so to do, executed the foregoing instrument on behalf of the general partner of the partnership for the purposes therein contained as Managing Member.

Witness my hand and seal, at office in Nashville, Tennessee, this 12th day of June, 2007.

_____
Notary Public

My Commission Expires:

March 7, 2011

JAY ROSENBLUM
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY

My Commission Expires March 7, 2011

EXHIBIT "A"

Property Description

Tract 1:

Land in Davidson County, Tennessee, being Lot No. 2, on the Plat of Donelson Cedarstone Associates Subdivision, as shown on plat of record in Instrument No. 20060407-0040430, in the Register's Office of Davidson County, Tennessee, to which plat reference is hereby made for a more particular description.

Tract 2:

Together with appurtenant easements as set forth in Declaration of Reciprocal Easement of record in Instrument No. 20061006-0124722, said Register's Office.

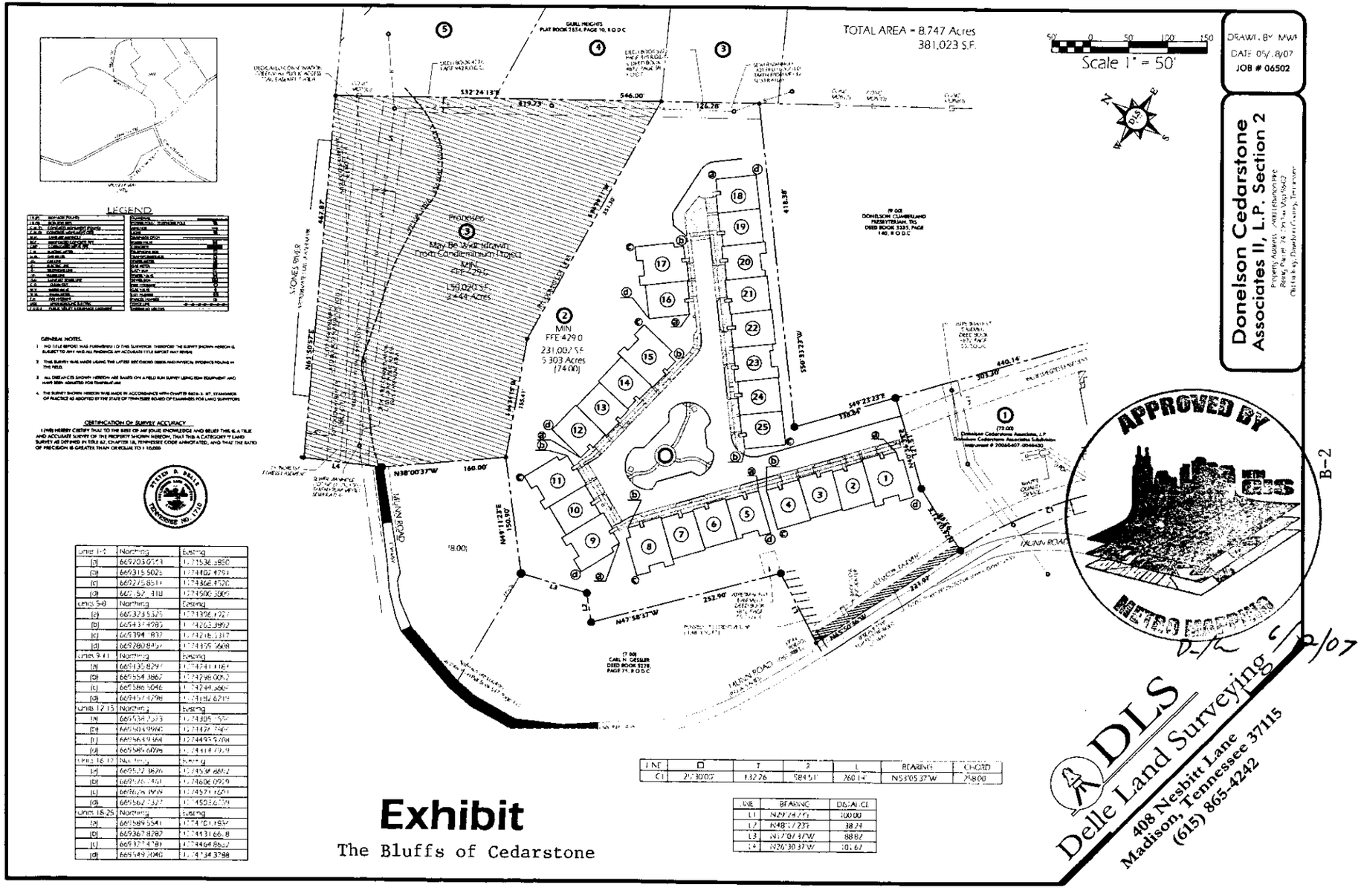
Being the same property conveyed to Donelson Cedarstone Associates II, L. P., a Tennessee limited partnership, by deed of record in Instrument No. 20061006-0124723, Register's Office for Davidson County, Tennessee.

EXHIBIT "B"

Site Plan

The Bluffs of Cedarstone Unit List

Unit Number	Unit Mailing Address	Square Footage	Comments
1	800 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
2	802 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
3	804 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
4	806 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
5	808 Cedarstone Way, Nashville, TN 37214	1520	2 bdrm/2 bath flat
6	810 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
7	812 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
8	814 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
9	816 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
10	818 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
11	820 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
12	829 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
13	827 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
14	825 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
15	823 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
16	821 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
17	819 Cedarstone Way, Nashville, TN 37214	2162	3 bdrm/2.5 bath flat
18	815 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
19	813 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
20	811 Cedarstone Way, Nashville, TN 37214	1520	2 bdrm/2 bath flat
21	809 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
22	807 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
23	805 Cedarstone Way, Nashville, TN 37214	1520	2 bdrm/2 bath flat
24	803 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat
25	801 Cedarstone Way, Nashville, TN 37214	1605	2 bdrm/2 bath flat



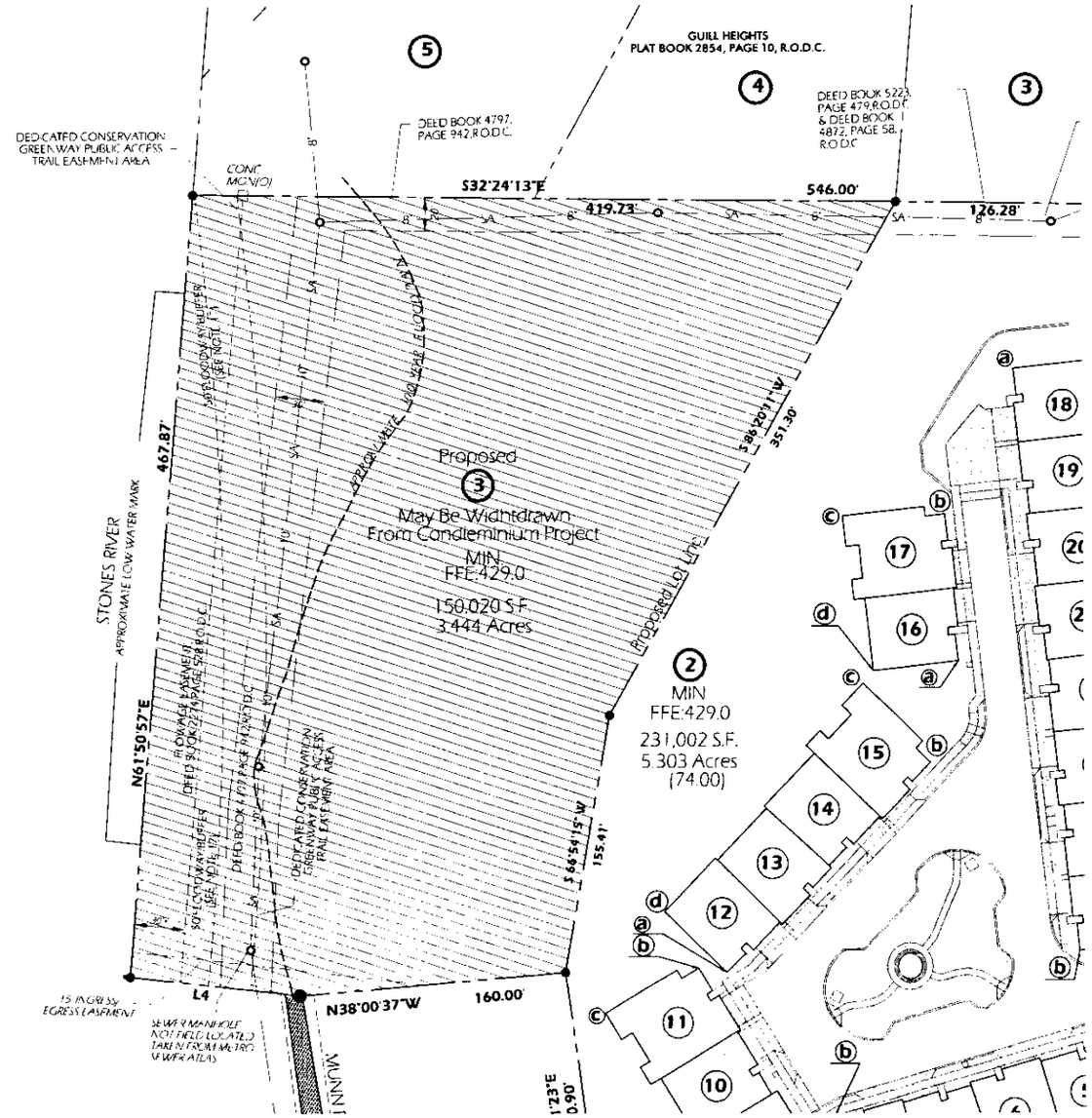
Units 1-4	Northing	Easting
(a)	669203.0513	1,773538.3880
(b)	669315.5025	1,774402.4791
(c)	669276.8511	1,774368.8720
(d)	669152.3110	1,774500.3009
Units 5-8	Northing	Easting
(a)	669323.5325	1,774306.1727
(b)	669437.4783	1,774263.3892
(c)	669394.8327	1,774216.1317
(d)	669280.8849	1,774355.3608
Units 9-11	Northing	Easting
(a)	669135.8297	1,774741.1167
(b)	669554.3867	1,774798.0052
(c)	669586.5046	1,774749.3667
(d)	669457.4298	1,774782.6219
Units 12-15	Northing	Easting
(a)	669538.2573	1,774305.1570
(b)	669619.9960	1,774427.7940
(c)	669564.9164	1,774495.9788
(d)	669586.6099	1,774414.7979
Units 16-17	Northing	Easting
(a)	669522.3826	1,774538.6662
(b)	669470.1401	1,774606.0929
(c)	669626.1959	1,774574.1651
(d)	669562.7327	1,774536.7591
Units 18-25	Northing	Easting
(a)	669589.5541	1,774701.1937
(b)	669367.8282	1,774431.66.8
(c)	669377.4781	1,774464.8627
(d)	669549.7040	1,774347.3788

LINE	D	T	R	L	BEARING	CHORD
C1	21°30'07"	132.26	984.51	260.14	N53°05'37"W	258.60

LINE	BEARING	DISTANCE
L1	N29°24'23"E	30.00
L2	N48°17'23"E	38.24
L3	N17°07'37"W	88.82
L4	N26°30'37"W	101.62

EXHIBIT "C"

Plat of Stones River Parcel



DRAWN BY: MWF
DATE: 06/05/21
JOB # 06502

Donelson Cedarstone Associates II, L.P. Section 2

Property Address: 2900 Lebanon Pike
Being Parcel 74, On Tax Map 76-09
Civil District 12 Davidson County, Tennessee

GENERAL NOTES:

1. NO TITLE REPORT WAS FURNISHED TO THIS SURVEYOR, THEREFORE THE SURVEY SHOWN HEREON IS SUBJECT TO ANY AND ALL FINDINGS AN ACCURATE TITLE REPORT MAY REVEAL.
2. THIS SURVEY WAS MADE USING THE LATEST RECORDED DEEDS AND PHYSICAL EVIDENCE FOUND IN THE FIELD.
3. ALL DISTANCES SHOWN HEREON ARE BASED ON A FIELD RUN SURVEY USING EDM EQUIPMENT AND HAVE BEEN ADJUSTED FOR TEMPERATURE.
4. THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH CHAPTER 0820-3-.07, STANDARDS OF PRACTICE AS ADOPTED BY THE STATE OF TENNESSEE BOARD OF EXAMINERS FOR LAND SURVEYORS.

CERTIFICATION OF SURVEY ACCURACY

I (WE) HEREBY CERTIFY THAT TO THE BEST OF MY (OUR) KNOWLEDGE AND BELIEF THIS IS A TRUE AND ACCURATE SURVEY OF THE PROPERTY SHOWN HEREON THAT THIS A CATEGORY 'I' LAND SURVEY AS DEFINED IN TITLE 62, CHAPTER 18, TENNESSEE CODE ANNOTATED, AND THAT THE RATIO OF PRECISION IS GREATER THAN OR EQUAL TO 1:10,000.

STEVEN D. DELLE REGISTERED LAND SURVEYOR TENNESSEE NO. 1710

DLS
Delle Land Surveying
408 Nesbitt Lane
Madison, Tennessee 37115
(615) 865-4242

Exhibit

Deed Description
Propoesed Lot 3

Beginning at a point in the southeast corner of the property described hereon, said point also being the northeast corner of lot two of the Donelson Cedarstone Associates Subdivision as recorded in Instrument # 200604070040430, R.O.D.C., TN.;
Thence with said subdivision line, South 86 degrees 20 minutes 11 seconds West 351.30 feet to a point;
Thence South 66 degrees 54 minutes 15 seconds West, a distance 155.41 feet to a point;
Thence North 38 degrees 00 minutes 37 seconds West, a distance 160.00 feet to a point;
Thence North 26 degrees 30 minutes 37 seconds West, a distance 101.67 feet to a point;
Thence with the Stones River, North 61 degrees 50 minutes 57 seconds East, a distance 467.87 feet to a point;
Thence leaving said river, South 32 degrees 24 minutes 13 seconds East 419.3 feet to the point of beginning and containing 3.444 acres of land more or less.

EXHIBIT "D"

Condominium Bylaws

CONDOMINIUM BYLAWS
OF
THE BLUFFS OF CEDARSTONE

ARTICLE I. DEFINITIONS

The words defined in the Tennessee Horizontal Property Act, as amended, Tennessee Code Annotated, 66-27-101 to 123 (hereinafter referred to as the "Act"), and the Master Deed for The Bluffs of Cedarstone shall have the same meaning in these Condominium Bylaws. Additionally, the following terms when used herein shall have the meanings set forth below:

"Insurance Trust Agreement" means that certain agreement between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds in accordance with Section 5.2 hereof.

"Insurance Trustee" means that certain entity responsible for the management of insurance proceeds pursuant to the Insurance Trust Agreement, which entity's deposits are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation or another federally constituted body serving an equivalent function.

"Eligible Mortgages" means mortgagees whose mortgages are eligible for purchase by the Federal National Mortgage Association.

ARTICLE II. ASSOCIATION

2.1. Purpose. The Bluffs of Cedarstone, a Condominium Project, located in Davidson County, Tennessee shall be administered by a Council of Co-owners as defined in the Act, which shall be organized as a Tennessee non-profit corporation under the name of "The Bluffs of Cedarstone Homeowners' Association, Inc." (hereinafter referred to as the "Association"). The purpose of the Association shall be the management, maintenance, operation and administration of the Condominium Project and the General and Limited Common Elements in accordance with the Act, the Master Deed, these Condominium Bylaws, the Charter, Corporate Bylaws and duly adopted Rules and Regulations of the Association. Co-owners and all persons using, entering upon or acquiring any interest in any Units or the General and Limited Common Elements shall be subject to the provisions of such documents.

2.2. Independent Management. The Association may provide for independent management of the Condominium Project, provided, however, any such agreement providing for such management shall be terminable by the Association without cause or penalty related to such cancellation, upon not more than ninety (90) days notice.

2.3. Membership; Voting. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

(a) Each Co-owner shall be a member of the Association, and no other person or entity shall be entitled to membership. No Co-owner shall be required to pay any consideration whatsoever solely for his membership in the Association.

(b) The share of a Co-owner in the assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit.

(c) Except as otherwise required by the Act or the Condominium Bylaws, each Co-owner shall be entitled to one (1) vote.

(d) No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Co-owner may only be cast by such Co-owner or by a proxy given by such Co-owner to his duly authorized representative. If title to a Unit shall be in the name of two or more persons as Co-owners (hereinafter referred to as the "Joint Co-owners"), any one of such Joint Co-owners may vote as to the Co-owner of the Unit at any meeting of the Association, and such vote shall be binding on such other Joint Co-owners who are not present at such meeting until written notice to the contrary has been received by the Association, in which case the unanimous action of all such Joint Co-owners (in person or by proxy) shall be required to cast their vote as Co-owner. If two or more of such Joint Co-owners are present at any meeting of the Association then unanimous action shall also be required to cast their vote as Co-owner.

(e) After the Period of Developer Control, there shall be an annual meeting of the members of the Association, and other meetings may be provided for in the Corporate Bylaws of the Association (hereinafter referred to as the "Corporate Bylaws"). Notice of the time, place and subject matter of all meetings, as provided in the Corporate Bylaws shall be given to each Co-owner by mailing the same to such owner or to the individual representative designated by such Co-owner at the address given by such owner to the Association. If any Co-owner shall fail to give an address to the Association for the mailing of notices, all notices shall be sent to the Unit of such Co-owner, and such Co-owner shall be deemed to have been given notice of any such meeting irrespective of actual receipt thereof.

(f) Except as otherwise provided in the Act, the Master Deed, or these Condominium Bylaws, the presence in person or by proxy of more than forty percent (40%) of the percentage of ownership of the Co-owners qualified to vote shall constitute a quorum for holding any meeting of the members of the Association. If, however, such quorum shall not be present or represented at any meeting of the Co-owners, the Co-owners present, in person or by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented by proxy any business may be transacted at the meeting as originally notified.

(g) At any meeting of the members of the Association, votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association.

(h) When a quorum is present at any meeting of the Association, the vote of more than fifty percent (50%) of the percentage of ownership of those Co-owners qualified to vote who are present, in person or by proxy, at such meeting shall decide any question brought before such meeting, unless the question is one upon which a different vote is required by express provision of the Act, the Master Deed, or these Condominium Bylaws, in which case such express provision shall govern. The Co-owners present in person or by proxy at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Co-owners to leave less than a quorum. At all meetings of the Co-owners, cumulative voting shall not be permitted.

2.4. Records and Books of Account. The Association shall keep a current copy of the Master Deed, Condominium and Corporate Bylaws, Charter, and any duly adopted Rule and Regulation as well as detailed books of account showing all expenditures and receipts, in chronological order, of the administration of the Condominium Project which shall specify the expenses of maintenance and repair of the General and Limited Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such records, books and the vouchers accrediting the entries shall be open for inspection by the Co-owners and any mortgagee of any Unit during reasonable working hours on weekdays.

2.5. Association Expenses and Receipts. All expenses paid and incurred by the Association, including, without limitation, expenses of maintenance, operation, repair, or replacement of the General Common Elements, the reserve fund, and expense of administration of the Condominium Project, and all money and other property received by the Association shall be so paid, incurred and received by the Association on behalf of the Co-owners (hereinafter referred to as "Association Expenses" and "Association Receipts"). Association Expenses shall include but not be limited to, the cost or purchase of utilities for the entire Condominium Project, General Common Elements, and the cost incurred in the satisfaction of any liability arising in connection with the maintenance, operation or use of the Condominium Project.

2.6. Co-owner Expenses. All expenses paid and incurred by the Association attributable to a Co-owner that are not considered Association Expenses within the meaning of Section 2.5 shall be deemed an expense of the Co-owner to whom such expenses are attributable (hereinafter referred to as "Co-owner Expenses"). Such Co-owner Expenses shall include any expense related to the maintenance, repair, or replacement of the Limited Common Elements appurtenant to a Co-owner's Unit.

2.7. Qualification of Board Members. Each director of the Association and any replacement directors selected by the Developer prior to the first meeting of the Association, must be a member of the Association, an officer or a director of a corporate member, a partner of a partnership that is a member, a member of a limited liability company that is a member, or a member or employee of the Developer.

2.8. First Meeting of Members. The first meeting of the members of the Association shall be held within sixty (60) days after the expiration of the Period of Developer Control. Until the first meeting of members, the affairs of the Association shall be managed by a Board of Directors, the members of which are appointed by the Developer.

ARTICLE III. ASSESSMENTS

3.1. Association Assessments. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium Project owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as Association Expenses.

3.2. Annual, Building, and Special Assessments.

(a) The Directors shall establish an annual budget in advance for each fiscal year of the Association of all Association Expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and adequate reserves for the periodic maintenance, repair, and replacement of the General and Limited Common Elements. The assessment of each owner for a pro rata share of the Association Expenses for such year shall be established by the adoption of such annual budget by the Directors. Copies of such budget shall be delivered to each Co-owner, although the delivery of a copy of the budget to each Co-owner shall not affect the liability of any Co-owner for any existing or future assessments. Should the Directors at any time determine, in their sole discretion, that the assessments levied are insufficient to pay such expenses in any fiscal year, the Directors may at any time and from time to time levy such additional assessments as they shall deem necessary for such purpose.

(b) Special assessments, other than those described in subsection (a) of this Section 3.2 shall be made for the purpose of reimbursing the Association for any Co-owner Expenses paid or incurred by the Association, and such assessments may include a reasonable allowance for contingencies and adequate reserves for the periodic maintenance, repair, and replacement of the Limited Common Elements.

(c) Special assessments, other than those described in subsections (a) – (b) of this Section 3.2, may be made by the Directors at any time and from time to time to meet other requirements of the Association and the Condominium Project including, but not limited to, capital improvements; provided, however, that any such special assessment shall not be levied without the prior approval of at least two-thirds (2/3) of the percentage of ownership of all of the Co-owners.

3.3. Allocation and Payment of Assessments. All assessments levied against the Co-owners to cover Association Expenses shall be apportioned among and paid by the Co-owners in accordance with the percentage of ownership allocated to each Unit in the Master Deed. Assessments levied against a Co-owner to cover Co-owner Expenses shall be due and payable upon notice by the Association to the affected Co-owner. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on the due date for such payment, and shall bear interest at the maximum rate allowable by law, whichever is less, commencing from and after such assessment is thirty (30) days past due until paid in full. Each Co-owner (whether one or more persons and including all of the shareholders of any corporation) shall be and remain personally liable for the payment of all assessments which may be levied against such Co-owner by the Association in accordance with these Condominium Bylaws, and any unpaid assessments with accrued interest thereon owed with respect to a Unit

may be collected out of the sales proceeds of such Unit in accordance with the Master Deed and Section 66-27-116 of the Act.

3.4. Taxes and Insurance Premiums. Each Co-owner shall pay to the Association, together with and as part of his assessment, his pro rata portion of the ad valorem taxes and all other taxes and other public charges on the Condominium Project, and the premiums on all insurance policies carried by the Association for repayment to the persons entitled thereto.

3.5. Collection of Assessments. The Association may, in addition to its rights under the Master Deed or Section 66-27-116 of the Act, enforce collection of delinquent assessments by suit at law for a money judgment, and the expenses incurred in collecting unpaid assessments including interest, costs and attorneys' fees, shall be chargeable to the Co-owner in default. Assessments in default together with interest thereon and all costs of collection shall constitute a lien upon the Unit of the defaulting Co-owner, and such lien may be enforced by judicial foreclosure in bar of all equity of redemption, homestead, dower, or any other statutory right or exemption, all of which are expressly waived. Such lien shall be subordinate to the lien of any deed of trust or mortgage on the Unit recorded prior to the due date of such Assessment. The Association may also discontinue the furnishing of services or the right of a Co-owner in default of his obligations to the Association or other Co-owners as set forth herein to use and enjoyment of all or a portion of the amenities comprising a part of the General Common Elements upon thirty (30) days' written notice to such Co-owner and to any mortgagee of such Co-owner's Unit of its intent to do so. A Co-owner in default of his obligations to the Association or other Co-owners as set forth herein shall not be entitled to vote at any meeting of the Association so long as such default is in existence.

3.6. No Exemptions. No Co-owner may exempt himself from liability for his contribution toward the expenses of the Association and the Condominium Project by waiver of the use or enjoyment of any of the General Common Elements or by the abandonment or sale of his Unit.

3.7. Utilities. Each Co-owner shall be required to pay all charges for utilities serving that Unit, including, electricity, water/sewer, cable television, and telephone service, used or consumed in the Unit. Such utilities will be separately meter in the discretion of the Association.

ARTICLE IV. ENFORCEMENT ACTIONS

The Association or any Co-owner shall have the right to prosecute any proceedings at law or in equity against any person or persons violating any of the provisions of these Condominium Bylaws and to obtain relief by way of injunction, money damages, or both. In the event that any provision of these Condominium Bylaws shall be held invalid by judgment or court order, it shall not be deemed to affect any of the other provisions herein, which shall continue and remain in full force and effect. In the event that any provision hereof shall be declared void by a court of competent jurisdiction by reason of the period of time for which the same shall be effective, then the term of such provisions shall be reduced by the maximum period of time allowed by the laws of the State of Tennessee.

ARTICLE V. INSURANCE

The Association shall carry a master policy of liability insurance, workmen's compensation insurance, officers' and directors' liability insurance, and such other insurance as the Directors may determine (hereinafter referred to as the "Master Policy"), with respect to the Condominium Project and the Association's administration thereof in accordance with the following provisions:

5.1. Power of Attorney. The Association is hereby irrevocably appointed as attorney-in-fact for each Co-owner and for each holder of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Project for the purpose of purchasing and maintaining insurance as set forth in Section 5.3 below including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purposes.

5.2. Insurance Trustee. The Directors shall have the option, in their sole discretion, of naming as an insured, on behalf of the Association, an Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement. The duty of the Insurance Trustee shall be to receive, hold or otherwise properly dispose of, in accordance with any applicable provisions of the Act, proceeds of insurance designated in the Insurance Trust Agreement in trust for Co-owners and their Eligible Mortgagees as their interest may appear.

5.3. Types and Amounts. Commencing not later than the time of the conveyance of the first Unit to a Person other than the Developer, the Association shall, to the extent reasonably available, obtain and maintain the types and amounts of insurance set forth below. Except as otherwise provided, the premiums for all such insurance policies shall be an Association Expense.

(a) Hazard Insurance.

(1) Hazard insurance, with an endorsement for extended coverage, or such other fire and casualty insurance as the Directors may determine provides equal or greater protection for the Co-owners and their mortgagees, if any, in each case complying with the applicable requirements of Section 5.4 hereof. Such hazard insurance shall, if and to the extent reasonably available, provide coverage of the General and Limited Common Elements, including fixtures and building service equipment and common personal property and supplies belonging to the Association, and the Units. Such insurance shall, if so required by the Federal National Mortgage Association and if and to the extent reasonably available, also cover fixtures, equipment and other personal property inside a Unit if such fixtures, equipment or personal property are financed by a mortgage purchased by the Federal National Mortgage Association. If such insurance is provided, the Association shall require such Co-owner to pay the additional cost incurred by the Association in so insuring such Co-owner's fixtures, equipment or other personal property. Such hazard insurance shall insure against all risks of direct physical loss commonly insured against. If such hazard insurance becomes unavailable in the future, the Association shall obtain such comparable insurance as is then available. The amount

of any such hazard insurance obtained pursuant to this Section shall be equal to the full insurable replacement value of the insured property, without deduction for depreciation (i.e., one hundred percent (100%) of current "replacement cost" exclusive of land, foundations, excavation and other items normally excluded from coverages, but including all building service equipment), with an "agreed amount endorsement" or its equivalent, if available, or an "inflation guard endorsement", if available, and construction code endorsements, if applicable and to the extent required by the Federal National Mortgage Association. Notwithstanding the foregoing, in no event shall the aggregate amount of the insurance obtained be less than the amount of the initial principal sum of all Eligible Mortgages in effect from time to time.

(2) Such hazard insurance shall afford protection against at least the following:

(i) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement;

(ii) all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available;

(iii) such other risks as the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation may require by reason of their holding one or more Eligible Mortgages.

(3) Such hazard insurance policy may, at the option of the Directors contain a "deductible" provision in an amount to be determined by the Association but not to exceed Ten Thousand Dollars ($10,000.00). The foregoing dollar amount shall be adjusted on each five (5) year anniversary hereof to become such sum of money as shall then be equivalent to the present purchasing price of such dollar amount in accordance with the procedure described in Section 5.5 hereof.

(b) Comprehensive Liability Insurance.

(1) Comprehensive Liability Insurance policies, complying with the requirements of Section 5.4 hereof, insuring the Co-owners, in their capacity as Co-owners and Association members and any managing agent retained by the Association, against any liability to the public or to other Co-owners, their tenants or invitees, relating in any way to the ownership, operation, maintenance and/or use of the General or Limited Elements and any part thereof, the public ways of the Condominium Project, any other areas under the Association's supervision, and commercial spaces owned by the Association whether or not leased to some third party.

(2) Such insurance policy shall contain a "severability of interest endorsement" or equivalent coverage which precludes the insurer from denying the claim of a Co-owner because of the negligent acts of the Association or another Co-owner.

(3) Limits of liability shall be at least Two Million Dollars ($2,000,000.00) covering all claims for personal injury and/or property damage arising out of a single occurrence.

(4) coverage under this policy shall include legal liability arising out of lawsuits related to employment contracts of the Association.

(c) Fidelity Bonds.

(1) Fidelity bonds or insurance coverage against dishonest acts on the part of such persons (including by way of illustration and not limitation, Association members, officers, directors, trustees, managers, agents, employees and volunteers) handling or responsible for funds belonging to or administered by the Association. In the event the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such bonds or insurance coverage shall include officers, employees and agents of such management agent.

(2) Such fidelity bond or insurance shall name the Association as the named insured and shall be written in an amount sufficient to cover the maximum funds that will be in the custody of the Association or its managing agent at any time while the bond is in force which is in no event less than one and one-half (1.5) times the Association's estimated annual operating expenses, including reserves.

(3) In connection with such coverage, an appropriate endorsement to such policy or bond in order to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(4) Such fidelity bond or insurance shall also

(i) name the Association as an obligee;

(ii) contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions;

(iii) provide that same may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Association and all Eligible Mortgagees and the Federal National Mortgage Association, its successors or assigns.

(5) A management agent that handles funds for the Association should also obtain its own fidelity bond, which must provide the same coverage required of the Association. The Association should be named as an additional obligee in the management agent's bond.

(d) Steam Boiler Coverage. If a steam boiler shall be operated in connection with the Condominium Project there shall be maintained boiler explosion insurance evidenced by the standard form of boiler and machinery insurance policy and providing as a minimum liability

per accident of at least equal to the lesser of Two Million Dollars ($2,000,000) or the insurable value of the building(s) housing the boiler or machinery.

(e) Indemnification Insurance. Insurance to satisfy the indemnification obligation of the Association and all Co-owners, if available, at the election of the Directors.

(f) Other Insurance. The Association may carry any other insurance it deems appropriate to protect the Association or the Co-owners.

5.4. Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Tennessee.

(b) Exclusive authority to adjust losses under policies hereafter in force on the Condominium Project shall be vested in the Directors or its authorized representative.

(c) With respect to the insurance policies issued to the Association and covering all or any part of the Condominium Project, the Association shall endeavor to cause such policies to provide that:

(i) The enforceability of such policies is not affected by any waiver of subrogation as to any and all claims against the Association, any managing agent, the Co-owners and their respective tenants, employees, agents, customers and guests, such subrogation being hereby waived;

(ii) Such policies cannot be cancelled, invalidated or suspended by means of the conduct of any one or more Co-owners, all defenses based upon co-insurance or acts of the insured being waived by the insurer, and in no event may cancellation, material modification, invalidation or suspension for any reason be effected without at least thirty (30) days' prior written notice to the Association, any Insurance Trustee, each Co-owner and all holders of Eligible Mortgages whose names and addresses are on file with the insurer;

(iii) Such policies cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Association or of any managing agent without a prior demand in writing that the Association or any managing agent, as the case may be, cure the defect within a reasonable period of time;

(iv) Any "no other insurance" clause in such policies shall not prohibit Co-owners from obtaining insurance on their individual Unit provided such insurance policy conforms with the requirements of this Article 5.

(v) The name of the insured under each policy required pursuant to this Article 5 shall be stated in form and substance substantially as follows: "The Bluffs of Cedarstone Homeowner's Association, Inc. for the use

and benefit of the individual owners, of the Units contained in The Bluffs of Cedarstone, a Condominium." The policies may alternatively be issued in the name of an authorized representative of the Association, including any Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement, or any successor to such Trustee, for the use and benefit of the individual owners, as provided for in Section 5.2 above.

(vi) Loss payable under each policy required pursuant to this Article 5 shall be in favor of the Association or Insurance Trustee (if an Insurance Trustee has been appointed by the Directors pursuant to Section 5.2), as a trustee for each Co-owner and each such Co-owner's Eligible Mortgagees as their interests may appear. Policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution) or shall otherwise be endorsed to fully protect all Eligible Mortgagees' interests. If the Federal National Mortgage Association holds one or more Eligible Mortgages, the policies must name as mortgagee either the Federal National Mortgage Association or the servicers for the Eligible Mortgages it holds; such servicer's name shall be followed by the phrase "its successors and assigns."

(vii) Coverage may not be prejudiced by: (1) any act or negligence of one or more Co-owners when such act or neglect is not within the control of the Association; or (2) any failure of the Association to comply with any warranty or condition regarding any portion of the Condominium Project over which the Association has no control.

(viii) All policies of property insurance shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such options shall not be exercisable (i) without the prior written approval of the Association (or any Insurance Trustee), or (ii) when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party or with any requirement of law.

(ix) Insurance coverage obtained and maintained by the Association pursuant to the requirements of this Article 5 may not be brought into contribution with insurance purchased by Co-owners or their mortgagees.

(x) Insurance coverage obtained and maintained by the Association pursuant to the requirements of this Article 5 shall provide that no assessment may be made against Eligible Mortgagees or may become a lien on the mortgaged premises superior to the lien of any Eligible Mortgagees.

(xi) Any Insurance Trust Agreement will be recognized.

5.5. Co-owner's Insurance. Co-owners shall comply with the following requirements regarding insurance:

(a) Each Co-owner may obtain additional insurance at his own expense; provided, however, that: (i) such policies shall not be invalidated by the waivers of subrogation

contained in the Condominium Documents; and (ii) no Co-owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on the Condominium Project at any particular time.

(b) The Co-owners shall obtain insurance coverage at their own expense upon their personal property and, in addition, shall obtain comprehensive personal liability insurance covering liability for damage to person or property of others located within such Co-owner's Unit or in another Unit or upon the General or Limited Common Elements resulting from the negligence of the insured Co-owner in such amounts as shall from time to time be determined by the Directors, but in no case less than $500,000 in respect of all claims for personal injury to or death in any one occurrence, and $100,000 for property damages for each occurrence. The foregoing dollar coverage limits shall be adjusted on each five year anniversary of the date hereof, to become such sum of money as is then equivalent to the present purchasing power of such dollar limits during the year immediately preceding each such adjustment. The purchasing power shall be measured by the mean average of the index numbers of the "Consumer Price Index - All Urban Consumers, (1982-84 = 100)" as prepared by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter referred to as the "CPI-U") for the months of June, July and August immediately preceding each date of adjustment. In the event the CPI-U is discontinued, the parties shall accept comparable statistics on the purchasing power of the consumer's dollar as published at the time of such discontinuation by a responsible periodical of recognized authorities to be chosen by the parties. Notwithstanding the foregoing, it is understood that the dollar coverage limits shall never be less than those specified in this subparagraph. All property and liability insurance carried by a Co-owner or the Association shall contain waivers of subrogation and waivers of any defense based upon co-insurance or invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without thirty (30) days' prior written notice thereof to each of the insureds, including all mortgagees of Units.

(c) Any Co-owner who obtains individual insurance policies covering any portion of the Condominium Project, other than: (i) personal property belonging to such Owner; or (ii) the individual Unit of such Owner, shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after the purchase of such insurance;

(d) The Directors shall have the power to require all the Co-owners to carry such other types of insurance on their Units as the Directors may reasonably require, including, without limitation, insurance on all portions of the Unit.

ARTICLE VI. RECONSTRUCTION OR REPAIR

6.1. Vote of Member. If not more than two-thirds (2/3) of a Building shall be damaged by fire or any other disaster, then such Building shall be rebuilt or repaired. If such damage shall affect more than two-thirds (2/3) of the Building, then reconstruction shall not be compulsory without the unanimous consent of all of the Co-owners of Units in the affected Building. The determination of the percentage of destruction of the Building shall be by a vote of the Co-owners of Units in the affected Building. If the Co-owners vote against reconstruction,

the insurance proceeds attributable to the damaged General Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Condominium Project and the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt must be distributed to the Co-owners of those Units and the Co-owners of the Units to which the Limited Common Elements were allocated, or to the lienholders, as their interests may appear.

6.2. Plan for Reconstruction. Any reconstruction or repair of the Building or any Unit located therein shall be substantially in accordance with the Master Deed and the original plans and specifications for the Condominium Project unless the affected Co-owners shall unanimously decide otherwise and such decision is approved by seventy-five percent (75%) of the other Co-owners.

6.3. Repair of Units. Each Co-owner shall be responsible for the reconstruction, repair or replacement of the interior of his Unit, including but not limited to the floor coverings, wall coverings, window shades, draperies, interior walls, furniture, furnishings, decorative light fixtures, and all appliances located therein. Each Co-owner shall also be responsible for the costs, not otherwise covered by insurance carried by the Association, of any reconstruction, repair or replacement of any portion of the Condominium Project necessitated by his negligence or misuse or the negligence or misuse of persons for whose actions he is legally responsible. In the event damage to all or any part of the interior of a Co-owner's Unit is covered by insurance held by the Association for the benefit of such Co-owner, then such Co-owner shall begin reconstruction or repair of such damage upon receipt of the insurance proceeds or any portion thereof from the Association, subject to the rights of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof. In the event damage to all or any part of the interior of a Co-owner's Unit is not covered by insurance held by the Association for the benefit of such Co-owner, then such Co-owner shall begin reconstruction or repair of such Unit within sixty (60) days after the date of such damage, subject to the right of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof.

6.4. Costs of Repair. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium Project for which the Association has insurance coverage (hereinafter referred to as the "Casualty"), the Association shall obtain reliable and detailed cost estimates of the following:

(a) The cost of restoring all damage caused by the Casualty to the General and Limited Common Elements (hereinafter referred to as the "Common Element Costs"); and

(b) The cost of restoring that part of the damage caused by the Casualty to each Unit that is or would be covered by insurance held by the Association without regard to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").

All insurance proceeds available to the Association with respect to the Casualty shall first be applied to the payment of the actual General and Limited Common Element Costs and the balance thereof, if any, shall thereafter be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an

assessment shall be made against the affected Co-owners by the Association in the following manner:

(i) All Co-owners of Units in the affected Building shall be assessed on a prorata basis for the payment of the estimated General and Limited Common Element Costs not otherwise paid for by insurance held by the Association.

(ii) Each Co-owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs and a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Association with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the denominator of which is the total of all of the estimated Unit Costs.

6.5. Eminent Domain. In the event of any taking of any Unit in the Condominium Project by eminent domain, the Co-owner and his mortgagee of such Unit shall be entitled to receive the award for such taking attributable to the Co-owner's proportionate share of the loss or reduction in the fee simple estate and the Building and other improvements to the land and after acceptance thereof he and his mortgagee shall be divested of all interest in the Condominium Project if such Co-owner shall vacate his Unit by virtue of such taking. If any repair or rebuilding of the remaining portions of the Condominium Project is required as a result of such taking, a majority in percentage of ownership of the remaining Co-owners shall determine by vote or written consent whether to rebuild or repair the Condominium Project or to take such other action as such remaining Co-owners deem appropriate. If no repair or rebuilding shall be required or shall be undertaken, the remaining portion of the Condominium Project shall be resurveyed and the Master Deed shall be amended to reflect such taking and to proportionately readjust the percentages of ownership of the remaining Co-owners based upon a continuing total ownership of the Condominium Project of one hundred per cent (100%).

ARTICLE VII. RESTRICTIONS

7.1. Modifications. No Co-owner shall make structural alterations, modifications or improvements to his Unit or to any of the General or Limited Common Elements, including, but not limited to, the erection of antennas, aerials, awnings, the placement of any reflective or other material in the windows of the Unit or other exterior attachments without the prior written approval of the Board of Directors of the Association. The Association shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of the Condominium Project.

7.2. Intentionally omitted.

7.3. Improper Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the General or Limited Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the General

or Limited Common Elements or anything that will increase the rate of insurance on the Condominium Project.

7.4. Signs. No signs or other advertising devices shall be displayed which are visible from the exterior of any Unit or on the General or Limited Common Elements, including "For Sale" signs, except in conformity with Rules and Regulations promulgated by the Directors.

7.5. Use of Common Elements. The General or Limited Common Elements shall not be used for storage of supplies, personal property or trash or refuse of any kind except common trash receptacles placed at the discretion of the Directors, nor shall the General or Limited Common Elements be used in any way for the drying, shaking or airing of clothing or other fabrics. Stairs, entrances, sidewalks, yards, driveways, and parking areas shall not be obstructed in any way nor shall unauthorized persons use them for other than their intended purposes. In general, no activities shall be carried on nor condition maintained by any Co-owner either in his Unit or upon the General or Limited Common Elements which despoils the appearance of the Condominium Project.

7.6. Maintenance of Unit. Each Co-owner shall maintain his Unit in clean, safe and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the General or Limited Common Elements or any other Unit, and each Co-owner shall be responsible for his negligence or misuse of any of the General or Limited Common Elements or of his own facilities resulting in damage to the General or Limited Common Elements or any other Unit.

7.7. Regulations. Rules and Regulations concerning the use of the Condominium Project shall be promulgated by the Board of Directors of the Association, and such Rules and Regulations shall be binding on all members of the Association unless duly amended by the Directors or by a majority in percentage of ownership of all of the Co-owners.

7.8. Access of Agents. The Association or its agents shall have access to each Unit from time to time during reasonable working hours, upon notice to its Co-owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements or other Units. The Association or its agent shall also have access to each Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the General or Limited Common Elements or to another Unit. If requested by the Association, each Co-owner shall furnish to the Association a duplicate key to the entrance door to his Unit and shall furnish a new duplicate key upon any change of locks thereto.

7.9. Sale of Unit. A Co-owner who sells a Unit shall give written notice to the Association of the name and address of the purchaser, and such other information as the Association may reasonably require in connection with such transaction.

7.10. Limitation During Sale Period. None of the restrictions contained in this Article 7 shall apply to the commercial activities, signs or billboards, if any, of the Developer during the sales period of the Condominium Project or to the activities of the Association in furtherance of its powers and purposes set forth herein and in its Charter and Corporate Bylaws as the same may be amended from time to time.

7.11. Mold/Mildew. Mold and/or mildew can grow in any portion of the Condominium Project that is exposed to elevated levels of moisture. The Association and each Co-owner agree to: (i) regularly inspect the parts of the Condominium that they respectively maintain, and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew, and/or water intrusion and/or damage; (ii) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium Project that they respectively maintain; (iii) remediate or replace any building material located in the parts of the Condominium Project that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (iv) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Condominium Project that they respectively maintain in accordance with current industry-accepted methods. In addition, the Association agrees to notify the Co-owners, and each Co-owner agrees to notify the Association of the discovery of mold, mildew, and/or water intrusion and/or damage in the parts of the Condominium Project that they respectively maintain.

7.12. Dryer Vent Brusher Fans. Co-owners of Units shall permit the Association or its managing agent to inspect all dryer vent booster fans to ensure that they are free of debris and in good working order. The Association shall perform such inspections no less than two times per calendar year, and the costs of such inspection and any necessary repairs shall be charged to such Co-owner.

ARTICLE VIII. MORTGAGES

8.1. Notification of Association. Any holder, insurer, or guarantor of a mortgage on a Unit may notify the Association of its name and address and the affected Unit, and the Association shall maintain such information in a book entitled "Mortgages of Units." Such Mortgagees are referred to as "Eligible Mortgagees" in the Master Deed and these Condominium Bylaws.

8.2. Notification of Mortgagees. The Association shall notify each person or entity appearing in the book described in paragraph 8.1 herein of the following:

(a) The amount of any unpaid assessments due from the Co-owner of each Unit at the same time as the Association makes demand on the Co-owner of the Unit for payment of such assessment, but in no event more than sixty (60) days after such payment assessment becomes past due.

(b) Any condemnation or casualty loss that affects either a material portion of the Condominium Project or the Unit securing its mortgage;

(c) Any lapse, cancellation, or material modification of the Master Policy or Fidelity Bond maintained by the Association;

(d) Any proposed action that requires the consent of a specified percentage of mortgages.

8.3. Additional Rights. In addition to all other rights herein set forth, every Eligible Mortgagee shall have the right, upon written request to the Association identifying itself and the Units subject to a mortgage it holds or has insured or guaranteed, to:

(a) Examine, during normal business hours or other reasonable circumstances, the Association's books, records and financial statements, and current copies of the Condominium Documents;

(b) Receive notice of the Association's meetings and attend such meetings;

(c) Receive notice of an alleged default by any Co-owner whose Unit is subject to a first mortgage it holds or has insured or guaranteed, if the default is not cured within sixty (60) days after notice of the default to the Co-owner;

(d) Receive notice of any condemnation or casualty loss which affects a substantial portion of the Common Elements;

(e) Receive a copy of, within reasonable time after it requests it, the financial statement of the Association for the immediately preceding fiscal year;

(f) Receive notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(g) Receive notice of any proposed action by the Association which would require hereunder the consent or constant approval of a specified percentage of Eligible Mortgagees;

(h) Pay, singly or jointly, taxes or other charges that are delinquent and have resulted or may result in a lien against any portion of the Common Elements and receive immediate reimbursement from the Association; and

(i) Pay, singly or jointly, any overdue premiums on any casualty insurance policy covering Common Elements or obtain, singly or jointly, new hazard insurance coverage on Common Elements upon the lapse of a policy and, in either case, receive immediate reimbursement from the Association.

8.4. Rights of Mortgagees. The rights of mortgagees as granted in these Condominium Bylaws shall not be amended so as to reduced the rights of mortgagees hereunder without the prior written approval of mortgagees of Units to which seventy-five percent (75%) of the percentage ownership in the Condominium Project is allocated pursuant to the Master Deed.

8.5. Reserve Fund. Assessments levied by the Board of Directors of the Association shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements (including Limited Common Elements) that must be replaced or repaired on a periodic basis, and shall be payable in regular installments rather than by special assessments. Special assessments may be levied by the Board in the event that there is insufficient money in the reserve fund for the maintenance, repair, or replacement of any portion of the Common Elements.

ARTICLE IX. COMPLIANCE

9.1. Acceptance of Governing Rules. The Association, all present or future Co-owners, tenants or future tenants, or any other persons using the facilities of the Condominium Project are subject to and shall comply with the Act, the Master Deed, the Condominium Bylaws and the Charter, Corporate Bylaws, Rules and Regulations of the Association, and the acquisition, occupancy or rental of a Unit shall signify that all such documents are accepted and ratified. In the event of a conflict in any of the provisions of any of such documents, the documents shall govern or control in the following order or preference: (1) the Act, (2) the Master Deed, (3) the Condominium Bylaws, (4) the Charter, (5) the Corporate Bylaws of the Association, and (6) the Rules and Regulations of the Association.

9.2. Amendment of the Condominium Bylaws. These Condominium Bylaws may be amended from time to time, at a meeting of the members of the Association called for such purpose upon the affirmative vote of the members representing two-thirds (2/3) or more of the total Units; provided, however, no such amendment shall reduce the rights of mortgagees hereunder without compliance with the requirements of Section 8.3 hereof. No such modification shall be operative until it is embodied in an instrument duly certified by the Secretary of the Association and recorded in the Register's Office for Davidson County, Tennessee.

ARTICLE X. ADDITIONS AND ALTERATIONS BY THE ASSOCIATION

Whenever in the judgment of the Directors the General Common Elements shall require additions, alterations or improvements costing more than Twenty Thousand Dollars ($20,000) which are not to be made at the expense of any individual Co-owner for the Co-owners' own benefit, and the making of such additions, alterations or improvements shall have been approved at an annual or special meeting of the Association and by the mortgagees holding mortgages or deeds of trust constituting first liens upon not less than two-thirds (2/3) of the percentage of Co-ownership of the Units, the Directors shall proceed to cause such additions, alterations or improvements to be made and shall assess all Co-owners for the cost thereof as a special assessment. Any additions, alterations or improvements costing Twenty Thousand Dollars ($20,000) or less may be made by the Directors without further approval of the Co-owners or any mortgagees of the Units, and the cost thereof may be assessed against the Co-owners as a special assessment, provided, however, that no more than Thirty Thousand Dollars ($30,000) shall be expended for any such purposes in any one year without approval by two-thirds (2/3) of the percentage of Co-ownership of the Units at a meeting of the Association. The foregoing dollar amounts shall be adjusted on each five year anniversary of the date hereof to become such sum of money as shall then be equivalent to the present purchasing power of such dollar amounts in accordance with the procedure described in Section 5.5 hereof. Notwithstanding the foregoing, such dollar amounts shall never be less than those specified in this Article 10.

ARTICLE XI. SECURITY

10.1 Developer Not Responsible For Security. The Association or Developer may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve security on the Condominium Project; however, each Co-owner, and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that neither the Association nor Developer is a provider of security and neither party shall have a duty to provide security on

the Condominium Project. Furthermore, the Association does not guarantee that non-owners and non-occupants will not gain access to the Condominium Project and commit criminal acts on the Condominium Project nor does the Association guarantee that criminal acts on the Condominium Project will not be committed by other Co-owners or occupants. It shall be the responsibility of each Co-owner to protect his or her person and property and all responsibility to provide such security shall lie solely with each Co-owner. Neither Developer nor the Association shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of measures undertaken.

10.2 Security Gate. Within sixty (60) days after the closing of the sale of the 18th Unit, the Association shall have a meeting to vote on whether or not the Condominium Project will have a security gate placed at the front of the Property. A majority vote of the Co-owners present at such meeting is necessary to approve the security gate. If the Association approves the security gate, the Association may select solely between the model sliding gate and the model swinging gate presented by Developer. Upon Association approval of the security gate, Developer shall release up to $15,000.00 of escrowed funds for the purchase, construction, and installation of the security gate. The Association will be responsible for any cost in excess of $15,000. Developer shall have the right to release the $15,000 to its benefit should the security gate not be approved within such 60 day period. The Association shall be deemed to have waived and forfeited any rights to such funds if the security gate is rejected or not approved within such period.

ARTICLE XII. LOSS OR DAMAGE TO PERSONAL PROPERTY

Neither Developer nor the Association shall be held liable for any loss or damage to any personal property placed or kept in any Unit, parking space, or storage space, in the Condominium Project. Each Co-owner or occupant with use of a Unit, parking space, or storage space, who places or keeps a vehicle and/or any personal property in the vehicle, parking space, or storage space does so at his or her own risk.

ARTICLE XIII. REMEDIES

13.1. Default. Failure of any Co-owner to comply with any of the terms of the Master Deed, these Condominium Bylaws, the Charter or Corporate Bylaws or duly adopted Rules and Regulations of the Association shall constitute an event of default and shall be grounds for legal, equitable or injunctive relief, or any combination thereof.

13.2. Costs. In any proceeding by the Association or an aggrieved Co-owner arising because of any alleged default by a Co-owner, the Association or such aggrieved Co-owner, if successful, shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees from such defaulting Co-owner.

13.3. No Waiver. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Master Deed, these Condominium Bylaws, the Charter, Corporate Bylaws or duly adopted Rules and Regulations of the Association shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

13.4. Rights Cumulative. All rights, remedies and privileges granted to the Association or any Co-owner pursuant to any provisions of the Master Deed, these Condominium Bylaws, the Charter, Corporate Bylaws or duly adopted Rules and Regulations of the Association, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies or privileges as may be available to such party at law or in equity.

ARTICLE XIV. SEVERABILITY

In the event that any of the terms, provisions or covenants of these Condominium Bylaws are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.