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This Instrument Prepared By:
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Nashville, Tennessee 37203

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR YELLOW HOUSE TOWN HOMES

THIS Declaration of Covenants, Conditions and Restrictions, hereinafter sometimes referred to as the "Declaration", is entered into as of the 17th day of March, 2010 by EC Partners, LLC, a Tennessee limited liability company, (herein referred to, together with its successors and assigns, as "Developer" or "Declarant");

WITNESSETH:

WHEREAS, Declarant is the legal title holder of certain tract of real estate located in the County of Davidson, State of Tennessee, more particularly described on attached Exhibit A, which is herein incorporated by this reference;

WHEREAS, Declarant desires to subject the Property to the provisions of Section 66-27-103(b) of the Act and thereby to cause a planned unit development to be organized and developed under Tennessee law pursuant to the Act; and

NOW, THEREFORE, Declarant declares that all of the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the land and be binding on all parties having any right, title or interest in the Property or any part thereof, its successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

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

(a) "Act" shall mean the Tennessee Horizontal Property Act, as amended, (T.C.A § 66-27-101 et seq.). All capitalized terms not otherwise defined herein but defined in the Act, shall be deemed to have the meaning ascribed to them in the Act.

(b) "Association" shall mean and refer to a non-profit Tennessee corporation known as Yellow House Town Homes Homeowners' Association, Inc., its successors and assigns, which shall serve as the Townhouse corporation required to be formed pursuant to Section 66-27-103(b) of the Act.

(c) "Attorney's Opinion" shall mean that Attorney's Opinion attached hereto as Exhibit B, which opinion is obtained for the purposes of T.C.A. § 66-27-103(b), which Attorney's Opinion references the attached certificate of a professional engineer, surveyor or architect required by T.C.A. § 66-27-104, for the purposes contained therein.

(d) "Board of Directors" or "Board" means the administering body of the Association.

(e) "Building" means the building located on the Property and containing the Units, which is delineated on the Plat.

(f) "Bylaws" means the Bylaws of the Association, attached hereto as Exhibit D and by this reference made a part hereof, as amended from time to time. For purposes of the Act, all provisions contained in the body of this Declaration dealing with the administration and maintenance of the Property shall be deemed to be part of the Bylaws.

(g) "Common Elements" shall mean all real property and improvements within the Property other than the Units (which include the Private Elements within the Units), which are now or hereafter owned by the Association. The Common Elements are designated on the Plat and shall be held by the Association for the common use and enjoyment of the Unit Owners. The Common Elements shall include, but shall not be limited to lawns (other than those within Private Elements,) parking areas, drainage structures and facilities, fences (other than those within or which enclose Private Elements), sidewalks, curbs, gutters, signs, lights, utilities and other improvements. "Common Elements" as used herein shall also mean "General Common Elements" as set forth in the Act.

(h) "Declarant" or "Developer" means EC Partners, LLC, and its successors and assigns, provided such successors or assigns are designated in writing by Declarant as a successor or assign of the rights of the Declarant set forth herein.

(i) "Limited Common Elements" means all Common Elements contiguous to and serving exclusively a single Unit as depicted on the Plat, the enjoyment, benefit or us of which is reserved to the lawful Owner or Occupants of such Unit either in this Declaration, on the Plat, or by the Board.

(j) "Majority" or "Majority of the Town Home Owners" means the owners of one hundred percent (100%) of the Town Homes.

(k) "Member" means a member of the Association who is the Owner of a Unit. All Owners of an individual Unit shall be members and shall collectively be one member for any voting purposes. The cessation of the ownership of a Town Home shall terminate membership.

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

(m) "Owner" or "Town Home Owner" or "Unit Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Unit which is a part of the Property, but excluding those having such interest merely as security for the performance of an obligation.

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

(o) "Parcel" means the parcel or tract of real estate described above in this Declaration.

(p) "Plat" means the representation of the Property prepared by the Declarant and attached hereto as Exhibit C, showing the number of each Unit, and expressing its area, location and other data necessary for identification.

(q) "Private Elements" means the lot area upon which each Unit is located and the improvements now or hereafter located thereon. Exclusive ownership in fee simple and use of the Private Elements for each Unit is reserved to such Unit. The area of the Private Elements for each Unit is as shown on the Plat. Notwithstanding the limits of the Private Elements depicted on the Plat, Private Elements do not include the Common Elements; provided that each Owner shall be entitled to the exclusive use of all area of the Building that is contained within the Unit.

(r) "Property" means all the land, property and space which is the subject of this Declaration as more particularly described in Exhibit A hereto, and all improvement and structures erected, constructed or contained herein or thereon, including the Building and all easements, rights and appurtenances, belonging thereto, and all furnishings, fixtures and equipment intended for the mutual use, benefit and enjoyment of the Owners.

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

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

(u) "Townhouse Corporation" means a not-for-profit corporation to be organized under the Tennessee Nonprofit Corporation Act, compiled in Title 48, chapters 51-68.

(v) "Town Home" or "Unit" means a portion of the Property as shown and designated in the Plat for separate ownership and shall include the Private Elements and the residence and improvements now and hereafter located thereon.

The Units are identified by number on the Plat and may be held and conveyed by reference to such number. Conveyance of a Unit shall automatically convey the undivided membership of each Unit Owner in the Association. Each Unit is numbered as shown on the Plat. Any Unit may be jointly or commonly owned in any estate recognized under applicable law. The term "Unit" as used in this Declaration shall have the same meaning as the term "Apartment" as used in the Act.

ARTICLE II

UNIT

Section 1. Description. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Every deed, lease, mortgage, deed of trust or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes. No Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause a Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

Section 2. Mortgages and Deeds of Trust. Each Owner shall have the right, subject to the provisions herein, to make separate mortgages and deeds of trust for his respective Unit together with his respective ownership interest in the Association. No Owner shall have the right or authority to make or create, or cause to be made or created from the date hereof, any mortgage, deed of trust or other lien on or affecting the Property or any part thereof, except only to the extent of his own Unit and the respective percentage interest in the Association corresponding thereto.

ARTICLE III

ASSOCIATION OF OWNERS AND ADMINISTRATION AND OPERATION OF THE PROPERTY

Section 1. (a) Formation. There has been or will be formed an Association having the name of "Yellow House Town Homes Homeowners' Association, Inc.", a Tennessee nonprofit corporation, which Association shall be the governing body for all of the Owners, for the replacement, administration and operation of the Property, this Declaration and the Bylaws. The Bylaws for the Association shall be the Bylaws attached to the Declaration as Exhibit D and made a part thereof. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the sole benefit of the Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Owners in accordance with the provisions of the Declaration and Bylaws. Each Owner shall be a member of the Association so long as he is an Owner. Under the conveyance or transfer of an Owner's

ownership interest to a new Owner, the new Owner shall simultaneously succeed to the former Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be two (2). Each Owner's respective percentage of ownership interests in the Association shall be fifty percent (50%).

(b) Non-Liability of the Directors, Officers and Declarant. Neither the directors, Board, officers of the Association, nor the Declarant shall be personally liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers or Declarant, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The Owners shall indemnify and hold harmless each of the directors, Board, officers, or Declarant, and their respective heirs, executors, administrators, successors and assigns in accordance with the Bylaws.

Section 2. Board Determination Binding. In the event of any dispute or disagreement between any Owners relating to the Property, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, the determination thereof by the Board shall be final and binding on each and all such Owners.

Section 3. Ownership of the Association. Each Owner shall be entitled to fifty percent (50%) of the ownership of the Association as set out in Section 1(a) hereof. The percentages of ownership interests shall remain constant unless amended pursuant to the reservation set forth herein, or unless hereafter changed by recorded amendment to this Declaration as provided for herein or consented to in writing by the necessary Owners and first mortgagees. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Association corresponding to each Unit. The ownership in the Association corresponding to any Unit shall be appurtenant to the ownership of the Unit and shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the fee title to that Unit.

Section 4. Use of Common Elements. Each Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Owners, as may be required for the purposes of use, occupancy and enjoyment of the respective Unit owned by such Owner. Such right to use the Common Elements shall extend not only to each Owner, but also to his agents, tenants, family members, customers, invitees and licensees. However, each Owner shall have the right to exclusive use and possession of the Limited Common Elements contiguous to and serving such Unit alone. Such rights to use the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Declaration, Bylaws and rules and regulations of the Association. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to all parts of the Common Elements, subject to the provisions of the Declaration and Bylaws. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to the rules, resolutions or regulations as the Board may adopt or prescribe.

Section 5. Common Expenses. Each Owner shall pay one-half of the expenses of the administration and operation of the Common Elements and of any other expenses incurred in

conformance with the Declaration and Bylaws (which expenses are herein sometimes referred to as "common expenses"), including, but not limited to, the maintenance and repair thereof and any and all replacements and additions thereto. Payment of common expenses shall be in such amounts and at such times as determined in the manner provided in the Bylaws. No Owner shall be exempt from payment of his share of the common expenses by waiver or non use or enjoyment of the Common Elements or by abandonment of his Unit.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Elements which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

(a) The right of the Association (acting by the Board) to immediately suspend the voting rights of an Owner for any period during which any assessment against his Unit remains unpaid; and to suspend voting rights for any infraction of its published rules and regulations that exists in excess of sixty (60) days;
(b) The right of the Association (acting by the Board) to dedicate or transfer all or any part of the Common Elements which are not components of the Building, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed by the Members. No such dedication or transfer shall be effective unless an instrument signed by a majority of the members, agreeing to such dedication or transfer, has been recorded; providing, however, that such consent shall not be required for the dedication of utility or service easements;
(c) The right of the Association (acting by the Board) to grant private access and/or private or drainage easements to provide individuals or entities, to serve neighboring properties.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his rights of enjoyment of the Common Elements and facilities to the members of his family, and his tenants who reside on the property. Membership in the Association may not be conveyed separately from ownership in a Unit.

Section 3. Association's Right of Entry. The authorized representatives of the Association or Board shall be entitled to reasonable access to the individual Units as may be required to correct any existing violation of the provisions of this Declaration, or in the connection with the preservation or any individual Unit or in the event of an emergency, or in connection with maintenance of, repairs or replacements within the Units or Common Elements, or any equipment, facilities or fixtures affecting or serving the other Unit or Common Elements, or to make any alteration required by any governmental authority.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. The Declarant, for each Unit owned within the Property, hereby covenants, and each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) Annual and monthly assessments or charges, and
(b) Special assessments for capital improvements, if any, established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land, and shall be a continuing lien upon the Unit against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Unit at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Property, and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, or for the use and enjoyment of the Common Elements, if any, including but not limited to the cost of repairs and replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Elements, if any, the procurement and maintenance of insurance and the employment of attorneys to represent the Association when necessary, payment of common expenses and such other needs as may arise.

Section 3. Initial Annual Assessment. Beginning April 1, 2010, the annual assessment shall be One Thousand Two Hundred and No/Dollars ($1,200.00) to be paid in monthly installments of One Hundred and No/Dollars ($100.00) per Unit. Any and all revisions to this Section shall be governed by the Bylaws.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association (acting by and through the Board) may levy, in any calendar year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Rate of Assessment. All annual and special assessments shall be fixed at a uniform rate for all Units and may be collected on a monthly basis, without additional fee or cost to Members paying on a monthly basis. The books and records for the Association will be kept in such a manner that it is possible to determine and ascertain (i) such sums as are expended

by the Association for development, improvement, maintenance and upkeep of all Common Elements, and (ii) such sums as are expended for other purposes.

Section 6. Date and Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence to all Units on the first day of the first month following the recording of this Declaration, April 1, 2010. At least thirty (30) days in advance of each annual assessment period, the Board shall fix the amount of the annual assessment to every Owners subject thereto. In the event that the Board is unable to reach an agreement as to the amount of annual assessments, the initial assessment amount of One Hundred and No/Dollars ($100.00) per month, One Thousand Two Hundred and No/Dollars ($1,200.00) annually, shall remain in effect. Written notice of such assessments shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period. The due dates shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid in full. A properly executed certificate of the Association as to the status of the assessments on a Unit is binding upon the Association as of the date of its issuance.

Section 7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate of twelve percent (12%). The Association may bring an action at law or equity against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of such action or foreclosure shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Elements or abandonment of the Unit.

Section 8. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Unit that is subject to any first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of a foreclosure thereof, shall extinguish the lien of such assessments s the payment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI

MAINTENANCE, REPAIRS AND REPLACEMENTS

Section 1. Owner's Responsibility. Each Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within and to his unit and the Limited Common Elements exclusively serving his Unit or the Board may cause the same to be done at the expense of the Owner. Each Owner of a Unit shall be responsible for the Unit, including, but not limited to, plumbing, pipes, wiring, appliances, structural components of the Unit. decks, patios, fences which enclose any Limited Common Elements, exterior glass, windows, including storm windows, screens, and doors, including storm doors, and the portions

of the Building that are not Common Elements, except as specifically allocated to the Association as stated below. By way of example and not limitation, it is intended that each Owner will be responsible for the maintenance, repair and replacement of the walls that are a part of his Unit (both interior and exterior, but excluding the party wall), and the Association will be responsible for the maintenance of the roofing structure, the party wall, and installations for the common use of the Units, such as common utility lines. If, due to the act of neglect of an Owner, or of his agent, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repair or replacement are required which would otherwise be a common expense, then such Owner shall pay for such damage or such maintenance, repair and replacements, as may be determined by the Association, to the extend not covered by the Association's insurance or sufficient proceeds are not collected from the insurance carrier.

Section 2. Association's Responsibility. Maintenance of, repairs to and replacements to the Common Elements, except those referred to in the preceding section and Section 2 of Article VII below, shall be the responsibility of and shall be furnished by the Association. The Association will be responsible for the maintenance of the roof and roofing structure, the party wall, the driveway, all exterior siding and facades (but excluding windows and doors) and installations for the common use of the Units, such as common utility lines. The authorized representative of the Association or Board shall be entitled to reasonable access to the individual Units as may be required in connection with the preservation of any individual Unit in the event of an emergency, or in connection with the maintenance of, repairs or replacements within the Common Elements or any equipment, facilities or fixtures affecting or serving other Units and the Common Elements or to make any alteration required by any governmental authority.

ARTICLE VII

SPECIAL PROVISIONS GOVERNING UNITS AND COMMON ELEMENTS

Section 1. Party Wall—General Rules of Law to Apply. The party wall depicted on the Plat shall constitute a party wall, and to the extent to which it is inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence, or willful acts or omissions shall apply thereto. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of the arbitrators.

Section 2. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligence or willful acts causes the interior portions of the Common Elements to be exposes to the elements shall bear the whole cost of furnishing the necessary protection against such elements to the extent that the costs of the same are not actually covered by the insurance required hereunder.

Section 3. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Declaration shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE VIII

INSURANCE

Section 1. Insurance required by the Association.

(a) Casualty Insurance. The Association shall obtain insurance for all insurable improvements of the Building (including, but not limited to the Units themselves and all Common Elements) not otherwise insured by the Owners as provide in Section 2 of this Article VIII, and may obtain insurance against such other hazards and casualties as the Association may deem desirable, for the Building or any property owned by the Association. Such insurance shall be for one hundred percent (100%) of the replacement cost of the Building, and be written on a Causes of Loss—"Special Form" basis or its closest equivalent, and shall not contain a deductible in excess of One Thousand Five Hundred and No/Dollars ($1,500.00). The Association shall obtain such insurance coverage with respect to the Building as the management trustee on behalf of the Owners, as their respective interest may appear, and the proceeds of any such policies shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried or as otherwise provided for herein. The insurance policy shall also provide, insofar as practicable; for recognition of any insurance trust agreement; a waiver of subrogation rights by the insurer against the individual Owners; that the insurance is not prejudiced by the act or neglect of the Unit Owners that are not in control of the Association; that the policy is the primary in the event any Unit Owner has other insurance covering the same loss. Premiums for all insurance carried by the Association are common expenses included in the annual assessments made by the Association.

(b) General Liability and Other Insurance. The Association shall also have authority to and shall obtain comprehensive public liability insurance, with a minimum aggregate amount of One Million and No/Dollars ($1,000,000.00), and other liability insurance as it deems desirable insuring each Owner, mortgagee of record, if any, the Association, its officers, directors, Board and employees from liability in connection with the Units or any Common Elements. The premiums for such insurance shall be a common expense. The Board shall retain in safe keeping any such public liability policy for fifteen (15) years after the expiration date of the policy.

(c) Officers' and Directors' Liability Insurance. At its option, the Association may obtain officers' and directors' liability insurance, and the premiums for such insurance shall be a common expense.

Section 2. Owner's Insurance Obligation. Each Owner shall obtain his own insurance covering all alterations, additions, improvements or betterments to his Unit and any Limited Common Elements serving his Unit, which are made by or on behalf of such Owner. The insurance policy shall afford, as a minimum protection against loss or damage by fire or other perils normally covered by the "Causes of Loss—Special Form basis" endorsement, where such is available, and such policy shall be in an amount equal to 100% of current replacement cost of all such alterations, additions, improvements or betterments to the Unit and any Limited Common Elements serving his Unit. Each Owner shall be responsible for insuring the contents of his Unit, including but not limited to decorating, furnishings, fixtures, and personal property therein, and personal property stored elsewhere on the Property.

Section 3. Annual Review of Policies. All insurance policies obtained by the Association shall be reviewed at least annually by the Board in order to ascertain whether the coverage contained in the policies is sufficient with such policies remaining in effect without any gap in coverage in the event of obtaining new or alternate coverage.

Section 4. Notice to First Mortgagees. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such damage or destruction and no provision of any document establishing the Property will entitle the Owners of a Unit or other party to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds.

Section 5. Federal National Mortgage Association Requirement. All insurance covered by the Association and the Owners shall comply, to the extent possible, with the requirements of the FNMA Conventional Home Mortgage Seller's and Services Lending Guide, as the same may be amended from time to time.

Section 6. Mortgage Clause. All policies of insurance shall contain or have attached thereto a "standard" or "union" mortgage clause (without contribution) in the form customarily used in Tennessee.

Section 7. Notice of Cancellation or Modification. Policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

ARTICLE IX

DESTRUCTION BY FIRE OR CASUALTY

Section 1. Destruction by Fire or Other Casualty. Except as otherwise provided in the Act, in the event that all or any portion of the Building is destroyed by fire or other casualty, the Association shall restore it, and the cost of the restoration thereof shall be paid by the insurance proceeds therefor; provided that the Association shall not be responsible for the repairs

or replacement or restoration of any improvements, betterments, wall, ceiling, or floor decorations or coverings, furniture, fixtures, furnishings, appliances or equipment installed in a Unit by a Owner or Occupant or any other personal property located on the Property owned by an Owner or Occupant unless insurance therefore is specifically provided for in the insurance policy obtained by the Association. The right of any Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions shall not be affected by this provision. Notwithstanding the foregoing, if more than 2/3 of the Building is destroyed and both Owners (or their mortgagees, if applicable) jointly determine not to reconstruct the Building, then the Building shall not be reconstructed, and the remaining portions of the Building and other debris shall be cleared from the Property with any insurance proceeds, and the remaining insurance proceeds shall be distributed between the Owners and their mortgagees in proportion to the respective value that the award bears to each of the Units or the damage thereto, as applicable.

In any circumstance where the mortgagee does not make funds available to an Owner for restoration of his Unit and funds are not otherwise available to such Owner for restoration, but the other Owner (the "Rebuilding Owner") decides to rebuild or repair his Unit, then the Rebuilding Owner may rebuild his Unit or make such modifications to the Building as may be required to make the same structurally sound without the other Unit being rebuilt. In such event, the non-rebuilding Owner shall (i) first use any insurance proceeds to clear the remaining portions of his Unit and other debris from the Property taking care not to cause further damage to the other Unit, and (ii) cooperate with the Rebuilding Owner in granting any licenses or easements that may be required by any modifications made to the Building by the Rebuilding Owner. If the other Owner, or any successor thereto, later decides to reconstruct said Unit, then such Owner shall reimburse the Rebuilding Owner for one-half (1/2) of the costs to repairs the party wall or any other Common Elements repaired by the Rebuilding Owner and later used by the other Owner. The Rebuilding Owner shall have the rights made available to the Board in Article XIV to enforce its rights under this paragraph.

ARTICLE X

EASEMENTS

Easements for installation and maintenance for utilities and drainage facilities are reserved as shown on the Plat, if any. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement.

ARTICLE XI

FEDERAL NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS, ETC.

Notwithstanding anything to the contrary contained in this Declaration, or in the attached Bylaws, all terms, conditions and regulations which are now existing, or which may be amended

from time to time, by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation ("Federal Entities") pertaining to planned unit developments are hereby incorporated as terms and conditions of the Declaration and Bylaws and such shall be governing upon the Property and the Association. If any portions of this Declaration or the Bylaws are in conflict with either the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, said Declaration and Bylaws shall be immediately amended to conform thereto. Additional rights of mortgagees are itemized as follows:

(a) A first mortgagee of a Unit at his request is entitled to written notification from the Association of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under the Declaration, Bylaws, or any of the related documents, which are not cured within thirty (30) days.

(b) Any first mortgagee of a Unit who comes into possession of the Unit pursuant to the remedies provided in the mortgage, deed of trust, foreclosure of the mortgage or deed of trust, or deed in lieu of foreclosure, shall take the Unit free of any claims regarding unpaid assessments or charges against the mortgaged Unit, which Unit (except the claims for a prorate share of such assessments or charges resulting from a prorate reallocation of such assessments or charges to all Units including the mortgaged Unit.)

(c) Unless at least seventy-five percent (75%) of the first mortgagees (based upon one (1) vote for each mortgage owned) of Units have given their prior written approval, the Association shall not be entitled to:

    (1) Change the prorate interest or obligations of any Unit for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for determining the prorate share of each Unit in the Association.

    (2) Use hazard insurance proceeds for losses to any property (whether to individual Units or Common Elements) for other than the repair, replacement, or reconstructions or such improvements, in case of substantial loss to the Units and/or Common Elements.

    (3) Amend the Declaration, Bylaws or Plat in such a manner as to adversely affect the rights of security enjoyed by a first mortgage lien holder.

(d) First mortgagees shall have the right to examine the books and records of the Association and/or the Property; and upon request, be permitted or entitled to receive an annual financial statement of the Property within ninety (90) days following the end of any fiscal year of the Property; and written notice of all meeting of the Association and be permitted to designate a representative to attend all such meetings.

(e) An adequate reserve fund for the replacement of Common Elements will be established and funded by regular monthly payments rather than by special assessments..

(f) All taxes, assessments and charges which may become liens prior to the first mortgage under the laws of the State of Tennessee shall relate only to the individual Unit and not to the Property as a whole.

(g) No Owner or any other party shall have priority over any rights of the first mortgagees of Units pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

(h) The Association shall give to the Federal Entities notice in writing of any loss to or the taking of the Units or the Common Elements if such loss or taking exceeds Ten Thousand and No/Dollars ($10,000.00). The Association may rely upon the information contained in the book entitled "Mortgages of Units". All first mortgagees shall register with the "Book of Mortgages."

(i) The interest of a first mortgagee in a mortgaged Unit shall be superior to the interests of any other person, group, partnership, corporation or entity of any kind, including any interest the Board or any Owner may have in any portion of the Unit, regardless of the nature of the interest or the manner in which it is acquired.

(j) Notwithstanding the above, any first mortgagee shall have all of the rights granted to a first mortgagee herein, and in addition shall have all of the rights granted to an institutional first mortgage under its deed of trust, and under the laws of the State of Tennessee.

(k) To the extent that the Federal Entities shall have an interest in, or be the owner of, or participate in, any first mortgages or deeds of trust affecting the Units, then:

(1) Any lien of the Association resulting from the nonpayment or assessment against a Unit must be subordinate to the first mortgage or deed of trust against the Unit.

(2) An adequate reserve fund for replacement of Common Elements must be established, which must be funded by monthly payments rather than extraordinary special assessments.

(3) The Association shall give the holders of first deeds of trust and mortgages prompt notice of any default in the Unit mortgagor's obligations under the documents not cured within thirty (30) days of default.

(4) The holder of first deeds of trust or mortgages shall have the right to examine the books and records of the Association and to require annual reports and other financial data.

(5) A reasonable method for dealing with any condemnation of the Property shall be provided, specifying written notice to the first mortgagees of any such proceedings and not disturbing mortgagee's first lien priority.

(6) The Association shall have the right to maintain existing improvements regardless of any present or future encroachments of the Common Elements or a Unit upon another Unit.

(7) The Unit shall not be subject to any unreasonable restraints on alienation which would adversely affect the title or marketability of the Unit, or the ability of the mortgage holder to foreclose its first mortgage lien and therefore to sell or lease the mortgaged Unit.

(8) Appropriate fidelity bond coverage may be required for any entity or persona handling funds of the Association, including but not limited to, employees or management companies or agents.

ARTICLET XII

ALTERATIONS, ADDITIONS OR IMPROVEMENTS

Section 1. Exterior. No Owner shall alter the exterior façade of his Unit without the consent of a majority of Owners. Except as provided above, any Owner shall have the right to make such alterations, additions or improvements to the exterior of his Unit or the Limited Common Elements contiguous thereto, including without limitation fencing and landscaping, provided such alterations, additions or improvements do not conflict with the general architectural design or color schemes of the Property and the Building.

Section 2. Decorating. Each Owner, at his own expense, shall furnish and be responsible for all decorating within his Unit (and the Private Elements serving the same) as may be required from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting and other interior furnishings and fixtures. Each Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floor and ceilings of his Unit, and such Owner shall maintain said interior surfaces in good condition as his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association but each such Owner shall have the right to decorate such interior surfaces from time to time as he sees fit and at his sole expense.

ARTICLE XIII

TRANSFER OF A UNIT—NOTICE TO ASSOCIATION

Section 1. Unrestricted Transfers. Subject to the provision of this Article, an Owner may sell, give, devise, lease or otherwise transfer his Unit, or any interest therein, to any Person.

Section 2. Notice to the Board. Any Owner who wishes to make a transfer of his Unit shall notify the Board in writing and provide the Board with a copy of the contract, lease or other document evidencing such transfer.

Section 3. Restrictions on Leases. With the exception of a lender in possession of a Unit following a default in a first deed of trust or mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of a foreclosure, no Owner shall be permitted to lease his Unit for transient or hotel purposes. All leases shall have a minimum term of at least six (6) months. No Owner may lease less than the entire Unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing.

Section 4. Miscellaneous.

(a) All notices referred to or required under this Paragraph shall be given in the manner provided in this Declaration or the Bylaws for giving notice.
(b) The Board may adopt rules and regulations from time to time, not inconsistent with the provisions of this Article, for the purpose of implementing and effectuating said provisions.
(c) If any transfer or lease of a Unit is made or attempted without complying with the provisions of this Declaration, such transfer or lease shall b subject to each and all of the rights of, and remedies and actions available to, the Association hereunder and otherwise.

ARTICLE XIV

REMEDIES

Section 1. In the event of any violation of the provisions of the Declaration, Bylaws or rules and regulations of the Board or Association by any Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) the Association, or its successors or assigns, or the Board, or its agent, shall have each and all of the rights and remedies which may be provided for in the Declaration, Bylaws, or said rules and regulations, or action or other proceedings against such defaulting Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Owner, or for damages or injunction or specific performance, or for judgment for payment of money or collection thereof, or the right to take possession of the Unit and to sell the same as provided hereinabove and as provided hereinafter, or for any combination of remedies, for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the then maximum applicable formula rate of interest legally chargeable by law, on a per annum basis until reinstatement or the completion of the foreclosure or at the then highest contract rate of interest then legally collectible in Tennessee, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of his respective share of common expenses, and the Board shall have a lien for all of the same, as well as for nonpayment of his respective share of the common expenses, upon the Unit and ownership interest in the Association of such defaulting Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property, provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Owner, except for the amount of the proportionate share of said common expenses which become due and payable from and after the date on which the said mortgage or deed of trust owner or holder accepts a conveyance of any interest therein (other than as a security) or forecloses the lien of its mortgage or deed of trust. In the event of any such default by any Owner, the Board shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holder or record of mortgage and deed of trust liens against Units in the Building.

Section 2. The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any rights provided for in this Declaration; (i) to enter (either peaceably or forcibly without liability to such Owner for such entry) upon the Unit, or any portion of the Property upon which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate or remedy by appropriate legal proceedings; either at law or in equity, the continuance of any breach; or (iii) to take possession (either peaceably or forcibly without liability to such Owner for such entry) of such Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

Section 3. If any Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration or the regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Owner a notice in writing terminating the rights of the said defaulting Owner to continue as an Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against said defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Unit and Association shall be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from requiring his interest as such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Owner's corresponding percentage of ownership in the Association, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the ownership interest sold subject to this Declaration. An aggrieved Owner or first mortgagee may bring an action in law or equity to require the enforcement of this Declaration and Bylaws by the Board, or may bring an action to enjoin or specifically require a party to perform which is required of him or it hereunder.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect. If any provision of the Declaration or Bylaws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Declaration and the Bylaws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby and the remainder of this Declaration or the Bylaws shall be construed as if such invalid part was never included therein.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be changed, modified or rescinded by an instrument in writing, setting forth such change, modification or rescission, signed by not less than one hundred percent (100%) of the Owners, and acknowledged, provided that (a) no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements as provided herein, or affect any lien for the payment thereof provided herein; (b) all lien holders of record have been notified via certified mail of such changes, modification or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument; and (c) if the Declaration or Bylaws require the consent or agreement of all Owners or of all lien holders for any action specified in this Declaration, then any instrument changing, modifying or rescinding any provision of this Declaration with respect to such action shall be signed by all of the Owners or all lien holders or both as required by the Declaration. Any change, modification or rescission shall be effective upon recording of such instrument in the Office of the Register of Deeds of Davidson County, Tennessee.

Section 4. Encroachment.

(a) It is understood that Units that adjoin each other and have a party wall built as a part of the construction of the Building that is placed upon the Private Element dividing line between adjoining Units may encroach on such adjoining Units due to construction or other reasons. Accordingly, an easement is reserved for such encroachment as are contained in the Building, whether the same exists now or may be caused or created by construction, settlement, or movement of the Building, or by permissive repairs, construction or alteration. With regard to any differences which may exist on the Plat and the actual party walls and Private Element lines on the Property, the Private Element lines and party walls that actually exist shall control over discrepancies, if any, in the Plat.

(b) If any portions of the Common Elements shall actually encroach upon any Unit or any Private Elements of any Unit, or if any Unit or any Private Elements of any Unit shall actually encroach upon any portions of the Common Elements, or if any Private

Elements of any Unit shall actually encroach upon another Unit, as the Common Elements, Private Elements and Units are shown upon the Plat, these encroachments shall be deemed to be mutual easements in favor of the Association and the respective Owners involved, to the extent of such encroachments, so long as the same shall exist.

Section 5. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) Each of the Units shall be used for single family residences only. This provision shall not preclude use and occupancy by two (2) adults not married to each other.

(b) The Common Elements shall be used only for the furnishing of services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession of proper use of the Property by its residents.

(d) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the respective Owners of the Units, or the Association, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) Each Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements. No Owner shall display, hang, store or use any clothing, sheets, blankets, laundry or other articles outside his Unit, or which may be visible from the outside of his Unit (other than draperies, curtains, shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of his Unit (excluding proper holiday decorations), or install outside his Unit any canopy or awning or outside radio/television/cable antennae/CB radio transmitters, or other equipment, fixtures or items of any kind, without the prior written permission of the Board (excluding identifying address markers of proper size which shall be determined by the Board). Provided, however, that an Owner shall be entitled to install and erect digital satellite equipment, including satellite dishes, provided that the diameter of any such dish shall not exceed twenty (20) inches and provided that plans as to the location and installation for such dish are submitted to and approved by the Association. No Owner of a Unit, shall display, hang, store or use any sign outside of his Unit (excluding for sale/lease signs, which content and design shall be approved by the Board), in a hallway or elsewhere, or which may be visible from the outside of his Unit without the prior written permission of the Board.

(f) Storage Tanks and Refuse Disposal. No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance, except for

refuse produced through normal daily living and of a nature which is satisfactory for pick-up by the Department of Public Works or its equivalent. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or place on or adjacent to any Unit. All equipment, coolers, and garbage cans shall be concealed from the view of neighboring lots, roads, streets, and open areas.

(g) Use of Temporary Structures. No structure of a temporary character, mobile home, camper, trailer, basement, tent, shack, garage, barn or other outbuilding shall be erected or moved onto any Unit, Limited Common Element or the Common Elements. No structure of any kind except the Units themselves may be occupied as a residence.

(h) Storage of Automobiles, Boats, Trailers and Other Vehicles. No inoperative vehicles may be stored in any location within the Property. No recreational vehicles (including, but not limited to, campers, trailers, boats, boat trailers and travel trailers), tractor-trailers, buses, or other large commercial vehicles may be parked anywhere within the Property.

(i) Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, pastured, or maintained on the Property, except household pets such as small dogs and cats, not exceeding forty (40) pounds in weight, which may be kept thereon in reasonable numbers as pets for the sole pleasure of the Owner or Occupant, but not for any commercial use or purpose. All pets shall be confined to the Unit Owner's Unit or kept on leash when allowed out of doors. The Unit Owner shall be required to immediately pick up and properly dispose of any feces deposited by any and all pets within the Property. Any disposal method that contemplates leaving said waste material outside of any Unit shall not be permitted, except temporary storage in a suitable sealed trash container while waiting for regular garbage pick up.

(j) Hobbies and Activities. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the consent of the Association.

Section 6. Notices. Notices provided for in the Declaration or Bylaws shall be in writing and shall be addressed to the Association or Board, or any Owner, as the case may be, at their respective street addresses, or at such address as hereinafter provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Owners. Any Owner may designate a different address for notices to him other than to his Unit by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Unit number or address, any mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation or any casualty loss which affects a material portion of the Property or any Unit on which there is a first mortgage held, insured, or guaranteed by such mortgage holder, insurer or guarantor, as applicable;
(b) Any delinquency in the payment of assessment or charges owed by an Owner of a Unit subject to a first mortgage held, insured or guaranteed by such holder, insurer or guarantor, which remains uncured for a period of sixty (60) days.
(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
(d) Any proposed action that would require consent of a specified percentage of mortgage holders.

Section 7. Preparation and Restraints on Alienation. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the Queen of England, Elizabeth II.

Section 8. Rights and Obligations.

(a) Each grantee of the Declarant, by the acceptance of a deed of conveyance accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration. All future Owners and Occupants shall be subject to and shall comply with the provisions of this Declaration. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate is said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.
(b) All present and future Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the Bylaws appended hereto and recorded herewith. The acceptance of a deed of conveyance devise or of a lease to a Unit, or the entering into the occupancy of any Unit shall constitute an agreement that the provisions of the said Bylaws and any rules and regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provision were recited and stipulated at length in each and every deed, conveyance or lease thereof.

Section 9. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Owner for his Unit and his corresponding percentage of ownership in the Association. In the event that such taxes for any year are not separately taxed to each Owner, but rather are taxed on the Property as a whole, then each Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Association.

Section 10. Condemnation.

(a) In the event of a taking in condemnation or by eminent domain of a part of the Common Elements or Unit, the award made for such taking shall be payable to the Board for and on behalf of the Association and/or the Owners directly affected thereby, as their interest may appear. If a majority of the Board in their sole and absolute discretion approve the repair and restoration of such Units or Common Elements, the Board shall arrange for the repair and restoration of such Units or Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board does not approve the repair and commence restoration of such Units or Common Elements within 120 days after taking by the public or private authority, the Board shall disburse the net proceeds of such award on a fair and reasonable basis to the mortgagees directly affected by the condemnation and the balance to the Owners directed affected. The decision of the Board as to fairness and reasonableness shall be binding upon all parties if such decision reasonably relates to the given facts.

(b) If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first deed of trust or mortgage on a Unit will be entitled to timely written notice of any such proceeding or proposed acquisition and no provision of any document establishing the Property will entitle the Owner of a Unit or other party priority over such institutional holder with respect to the distribution to such Unit or the proceeds of any award or settlement.

Section 11. Captions. The captions herein are inserted only as a matter of convenience, and in no way define, limit or describe the scope of these provisions or the intent of any provision hereof.

Section 12. Gender and Number. The use of the masculine or neuter gender in this Declaration and in the Bylaws shall be deemed to include the masculine, feminine and neuter gender whenever the context so requires, and the use of the singular shall be deemed to include the plural whenever the context so requires, and vice versa.

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed this 17th day of MARCH, 2010.

Nathan Evans By Jan Thomas - attorney-in-fact
DEVELOPER
EC PARTNERS, LLC

By: Nathan Evans

Title: Managing Member

STATE OF Tennessee)
COUNTY OF Maury)

Before me, Brian K. Roberts, a Notary Public of said County and State, personally appeared Jan Thomas, Attorney in Fact for Nathan Evans in his capacity of Managing Member of EC Partners, LLC, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be named Attorney in Fact acting on behalf of Nathan Evans, Managing Member of EC Partners, LLC, the within named bargainor, a limited liability company, and that said signature represents as such Nathan Evans with full power and authority to bind the LLC, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as its Managing Member.

Witness my hand and seal, at Office in Maury County, this 17th day of March, 2010.

BRIAN K. ROBERTS STATE OF TENNESSEE NOTARY PUBLIC MAURY COUNTY

Brian K. Roberts
Notary Public
My Commission Expires: 11/23/2013

EXHIBIT A

Legal Description

Land in Davidson County, Tennessee, being Lot 16, BLOCK NO. 2, ANDREW ALLISONS ADDITION, as shown on plat of record in Plat Book 161, Page 74, in the Register's Office, Davidson County, Tennessee, to which plat reference is hereby made for a more particular description of said property.

Being the same property conveyed by Quit Claim Deed from Steve Chaisson to EC Partners, LLC, a Tennessee Limited Liability Company as recorded on the 7th day of April, 2008 in Instrument No. 20080407-0035135 and Warranty Deed from Patricia Maynard Sloan, a single woman to Steve Chaisson as recorded on the 17th day of October, 2005 in Instrument No. 20051017-0124676, in the Register's Office of Davidson County, Tennessee.

EXHIBIT B

ATTORNEY'S OPINION

This Instrument Prepared By:
Rudy, Wood & Winstead, PLLC
Amy L. Wood, Esq.
1812 Broadway
Nashville, Tennessee 37203

This document is intended to serve as the attorney's opinion which is required under the terms of T.C.A. § 66-27-103. The undersigned, Amy L. Wood, is an attorney licensed to practice law in the state of Tennessee, hereby declares that upon proper recording of this certificate and the following additional documents, all of which are intended to be recorded simultaneously herewith, all legal requirements for the creation of a planned unit development under the terms of the Tennessee Horizontal Property Act, T.C.A. § 66-27-101, et seq., will have been met:

1. A Use and Occupancy Permit from the Metropolitan Government of Nashville and Davidson County, Tennessee evidencing that construction of each of the units shown on the plat for Yellow House Town Homes is in substantial compliance with local building codes for two-family dwellings.

2. The Declaration of Covenants, Conditions and Restrictions for Yellow House Town Homes, a planned unit development.

3. Bylaws of the Yellow House Town Homes Homeowners' Association, Inc. a planned unit development (a Townhouse corporation), which Bylaws are Exhibit D to the Declaration.

4. The plat setting forth the limits of the Limited Common Elements are the Private Elements for Yellow House Town Homes, a planned unit development, which plat is attached to the Declarations as Exhibit C.

5. The Charter of Yellow House Town Homes Homeowners' Association, Inc. a planned unit development.

This opinion is subject to the terms and conditions of the planned unit development

documents and to all applicable municipal ordinances and regulations.

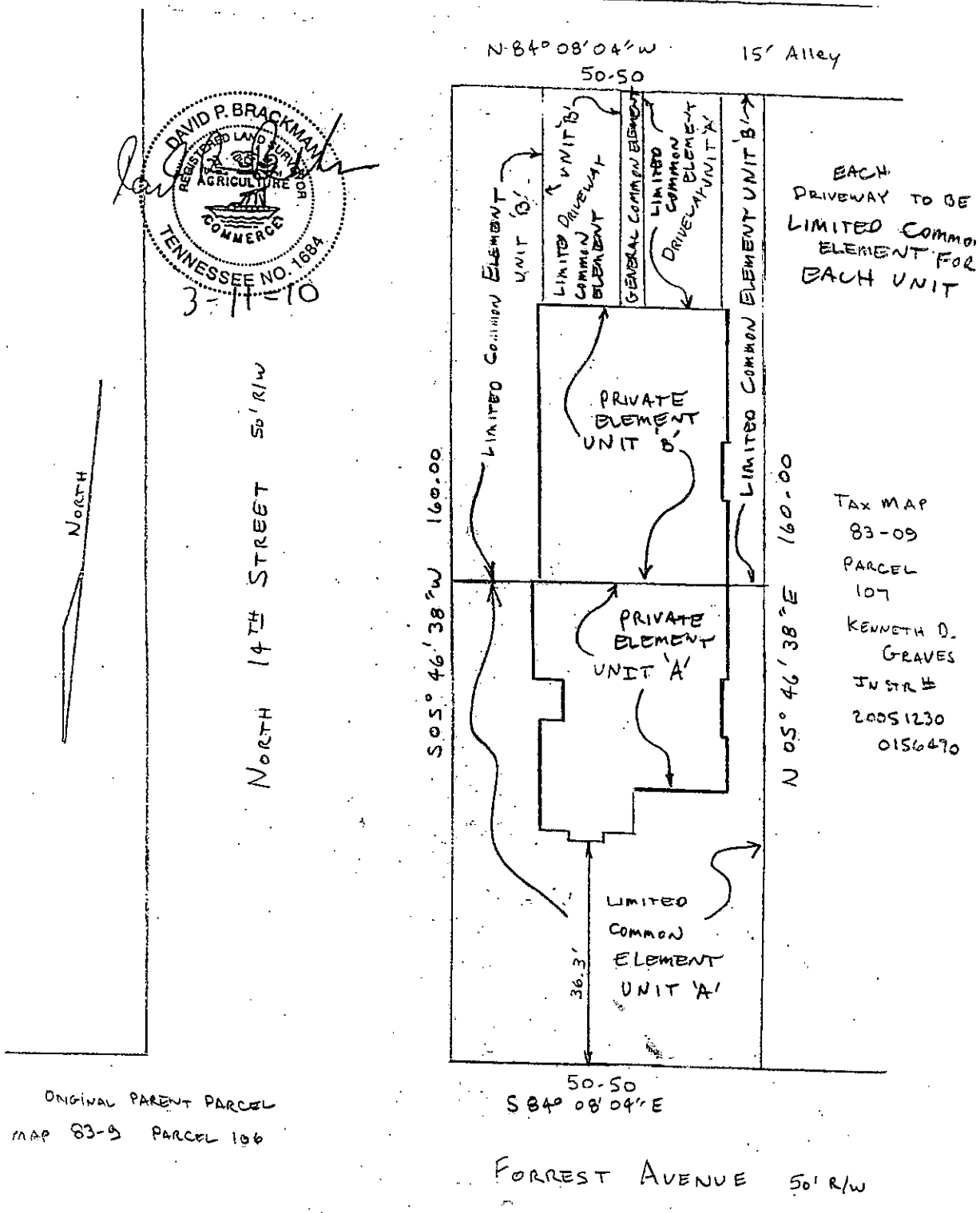
By: _____

Rudy, Wood & Winstead, PLLC
Amy L. Wood, Esq.
1812 Broadway
Nashville, Tennessee 37203

EXHIBIT C

HORIZONTAL PROPERTY REGIME

YELLOW HOUSE TOWN HOMES



UNIT NO.	STREET ADDRESS	MAP/PARCEL
A	1312 FORREST AVENUE	
B	104 N. 14TH STREET	
COMMON AREA		

BRACKMAN LAND SURVEYING
1707 Gale Lane
Nashville, TN 37212
PH (615) 476-8107
FAX (615) 298-2605
Email: dbrack@bellsouth.net

DATE: MAY 1. 2008 Revised: 3-11-10

FILE NO. 06-116

EXHIBIT D

BYLAWS
OF
YELLOW HOUSE TOWN HOMES
HOMEOWNERS' ASSOCIATION, INC.

Article I. Office

Section 1. Principal Office. The principal office of the Association shall be maintained at 1312 Forrest Avenue, Nashville, TN 37206.

Section 2. Place of Meetings. All meetings of the Association shall be held at its principal office unless some other place is stated in the call.

Article II. Association of Town Home Owners

Section 1. Annual Meeting. The annual meeting of the Association (except for the first annual meeting) shall be held on the first Tuesday of each July.

Section 2. Special Meetings. Special meetings may be held at any time upon the call of the President or upon the call of any one Town Home Owner. Upon receipt of such call, the Secretary shall send out notices of the meeting to all members of the Association.

Section 3. Notice of Meetings. A written or printed notice of every meeting of the Association, stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the place, day and hour thereof and the purpose therefore, shall be given by the Secretary or the person or persons calling the meeting at least ten (10) days before the date set for such meeting, with the exception of the first annual meeting. Such notice shall be given to each member in any of the following ways: (a) by any manner permitted under the Declaration, or (b) by leaving the same with him personally, or (c) by leaving the same at the residence or usual place of business of such member, or (d) by mailing it, postage prepaid, addressed to such member at his address as it appears on the records of the Association. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of the meeting shall in no way invalidate

the meeting or any proceedings at such meeting. Upon written request for notices, mailed by certified mail, addressed to the secretary of the Association at the address of the Association, the holder of any duly recorded first mortgage or deed of trust against any Town Home may obtain a copy of any and all notices permitted or required to be given, and any such mortgagee requesting such notice shall thereafter receive all notices sent to the members from and after receipt of said request until said request is withdrawn or said mortgage is discharged of Record.

Section 4. Waiver of Notice. The presence of all the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall, at the opening of such meeting, object to the holding of the same for noncompliance with the provisions of Section 3 of this Article II. Any meeting so held without objection shall, notwithstanding the fact that no notice thereof was given, or that the notice given was improper, be valid for all purposes, and at such meeting any general business may be transacted and any action may be taken; provided, however, that where a member has pledged his vote by mortgage, deed of trust or agreement of sale, only the presence of the pledgee will be counted in determining whether notice is waived with regard to business dealing with such matters upon which the member's vote is so pledged.

Section 5. Quorum; Voting. At any meeting of the Association, one hundred percent (100%) of the Town Home Owners, present or by proxy, shall constitute a quorum, and, except as otherwise provided herein, in the Declaration and in the event of voting right suspension, the concurring vote of a Majority of the Town Home Owners shall be valid and binding upon the Association. In the event a member has pledged his vote by mortgage, deed of trust or agreement of sale, the member's vote will be recognized in computing a quorum with respect to any business conducted concerning such matters upon which said member's vote is so pledged or mortgaged unless the mortgage, deed of trust or agreement of sale provides otherwise, in which event such instruments shall control. In the event of such mortgage or pledge, the Town Home Owner shall provide the Association with a copy of the pledging or mortgaging instrument.

Section 6. Membership; Voting. Any person or combination thereof owning any Town Home duly recorded in his name, the ownership of which shall be determined by

the records of the Register's Office for Davidson County, Tennessee, shall be a member of the Association, and either in person or by proxy entitled to a vote equivalent to one vote for each Town Home so owned at all meetings of the Association. Any provision to the contrary notwithstanding, co-owners or joint owners shall be deemed one Town Home Owner and one member. The authority given by a member to another person to represent such member at meetings of the Association shall be in writing, signed by such member (or if a Town Home is jointly owned then by co-owners or joint owners, by all such co-owners or joint owners; or if such member is a corporation, by the proper officers thereof), and shall be filed with the Secretary, and unless limited by its terms, such authority shall be deemed good until revoked in a writing filed with the Secretary. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any Town Home owned or held by him in such capacity, whether or not the same shall have been transferred to his name by a duly recorded conveyance. In case such Town Home shall not have so been transferred to his name, he shall satisfy the Secretary that he is the executor, administrator, guardian or trustee holding such Town Home in such capacity. Whenever any such Town Home is owned by two or more persons jointly according to the Record, the vote therefore may be exercised by any one of the owners present in the absence of protest by the other or others; PROVIDED, HOWEVER, that when the vote of an owner or owners has been pledged by mortgage or deed of trust of Record, only the vote of the pledgee will be recognized upon those matters upon which the owner's or owners' vote is so pledged except as otherwise provided in Section 5.

Section 7. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the members.

Article III. Board of Directors

Section 1. Number and Qualification. The affairs of the Association shall be governed by a board of directors (the "Board of Directors" or the "Board") composed of two (2) persons, and all such directors shall be Town Home Owners (or owners of an interest in a Town Home).

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

Section 3. Other Powers and Duties. In addition to duties imposed by the Declaration, these Bylaws or by resolutions of the Association, the Board of Directors shall have the following powers and duties:

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

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

(c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer and operate the Property or any part thereof for all of the Town Home Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that any management agreement relating to the Property shall be terminable for cause upon thirty (30) days' notice and shall have a term of not more than five (5) years, which term shall be renewable upon approval of the Board of Directors.

(d) to formulate policies for the administration, management and operation of the Property and the Common Elements, as defined in the Declaration, thereof;

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

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

(g) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements,

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

(h) to appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board as provided in the Declaration and these Bylaws;

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

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

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

(l) unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Town Home Owners as expressed in a resolution duly adopted at any annual or special meeting of the Association;

(m) to secure insurance policies as required by the Declaration and these Bylaws, and in this regard, annually to review the amounts of coverage afforded by such policies;

(n) to borrow money for the purposes of repair or restoration of the Common Elements;

(o) to be responsible for and maintain all streets, roads, utilities, and any other services of a public nature that are classified as Common Elements in the Declaration; and

(p) to exercise all other powers and duties of the board of administration or Town Home Owners as a group that are provided in the Act, and all powers and duties of a board of managers or a board of directors referred to in the Declaration or these Bylaws.

Section 4. Manager or Managing Agent; Employees Generally. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 3 of this Article. The duties conferred upon the Managing Agent by the Board of Directors may be at any moment

revoked, modified or amplified by the vote of the Association in a duly constituted meeting. The Board of Directors and/or the Managing Agent (with the approval of the Board of Directors) may employ any other employee or agents to perform such duties at such salaries as the Board of Directors may establish. The Board of Directors may enter into such service contracts on behalf of the Association as are necessary and appropriate and shall have authority, but not the obligation, to assume, on behalf of the Association, any initial service contracts entered into by Developer that comply with the requirements and limitations imposed herein.

Section 5. Election and Term of Office. The directors of the Association shall be elected by the affirmative vote of not less than one hundred percent (100%) of the Town Home Owners. The first annual meeting of the Association will be called by Developer at such time as, in its discretion, it deems best, but in no event shall it be later than thirty (30) days after one (1) Town Home is occupied. Nathan Evans, or his nominee, shall act as President of the Association until the President has been named by the Board of Directors. At the first annual meeting of the Association, the terms of office for the first board of directors (the "First Board") shall be fixed wherein one (1) director shall serve for one (1) year and one (1) director shall serve for two (2) years.

At the expiration of the initial term of office of each respective director, his successor shall be elected by all those entitled to vote to serve a term of three (3) years. The directors shall hold office until their successors have been elected and hold their first meeting.

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

Section 7. Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the elected directors may be removed with or without cause by not less than one hundred percent (100%) of the voting eligible Town Home Owners and a successor may then and there be elected to fill the vacancy thus created. Any director

whose removal has been proposed by the Town Home Owners shall be given an opportunity to be heard at the meeting.

Section 8. Compensation. No compensation shall be paid to directors for their services as directors. A director may not be an employee of the Association.

Section 9. Organizational Meeting. The first meeting of the newly elected Board of Directors shall be held within one (1) month of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing the whole board is present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by not less than one-half (1/2) of the directors. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, addressed to his residence, or by telephone, at least ten days prior to the day named for such meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on ten days notice to each director, given personally or by mail, addressed to his residence, or by telephone, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of not less than one (1) director.

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

Section 13. Board of Directors' Quorum. At all meetings of the Board of Directors, one hundred percent (100%) of the directors with voting rights shall constitute a quorum for the transaction of business in accordance with the terms of the Declaration which acknowledges the possibility of voting right suspension, and the acts of a majority

of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors.

Section 14. Bonds of Officers and Employees. The Board of Directors may, at its sole discretion, require that all officers and employees (including without limitation any management agent) of the corporation handling or responsible for corporate funds shall be covered by blanket fidelity bonds naming the Association as obligee, which bonds shall be in the amount equal to one hundred fifty percent (150%) of the estimated annual operating expenses of the Project. Each such bond shall contain an agreement to notify the Board, the holder of a first mortgage or deed of trust on a Town Home and every other person in interest who shall have requested such notice at least thirty (30) days' prior notice of any cancellation or material alteration of such bond. The premiums on such bonds shall be paid by the Association as a common expense of the Association.

Article IV. Officers

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

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

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

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties that are usually vested in the

office of president of an association, including but not limited to the power to appoint committees from among the Town Home Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

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

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

Section 7. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of the Association; shall give all notices as provided by these Bylaws, and shall have other powers and duties as may be incidental to the office of Secretary, given him by these Bylaws or assigned to him from time to time by the directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

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

Article V. Obligations of the Town Home Owners

Section 1. Expenses, Assessments. Every Town Home Owner shall contribute, pro rata on the basis of his percentage interest in the Common Elements as set forth in the Declaration, toward the expenses of administration of the Property and the Association,

including but not limited to all types of insurance and the costs of operation, maintenance, repair and replacement of the Common Elements. The Association shall fix an assessment for each Town Home in an initial amount of One Hundred Dollars ($100.00) per month, to provide for its pro rata share of all such current expenses, reasonable reserves for future expenses of administration, reasonable reserves for the expenses of utilities, periodic maintenance, repair and replacement associated with the Common Elements and such other expenses as the Association may deem proper, subject to adjustment from time to time as the Association may deem necessary. Such monthly charge shall be due and payable in advance on the first day of every month commencing in April 2010, shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid, and such charges, together with interest as aforesaid and reasonable attorney's fees of the Association (all as provided in the Declaration) shall be a lien on the Town Home, assessed prior in right to all other charges whatsoever except assessments, liens and charges in favor of the State of Tennessee, the City of Nashville and Davidson County for taxes past due and unpaid on such Town Home, and amounts and liabilities secured by first mortgage instruments duly Recorded.

Section 2. Working Capital. A working capital fund may be maintained by the Association as determined by the members. Each Town Home's share of the working capital fund must be collected and transferred to the Association at the time of the closing of the sale of each Town Home and maintained in an account for the use and benefit of the Association. The purpose of the working capital fund is to insure that the Association will have cash available to meet unforeseen expenditures, and/or to acquire additional equipment or services deemed necessary or advisable by the Board, and disbursements from such fund shall be made as directed by the Board. Amounts paid into the working capital fund shall in no event be considered advance payment(s) of monthly assessments.

Section 3. Maintenance and Repair.

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

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

(c) A Town Home Owner shall reimburse the Association for any expenditure incurred in repairing or replacing any Common Elements damaged through his fault.

Section 4. Use of Town Homes. All Town Homes shall be used in accordance with the provisions of the Bylaws, the Declaration and the Rules and Regulations.

Section 5. Rules and Regulations. In order to assure the peaceful and orderly use and enjoyment of the Building and Common Elements of the Property, the Association may from time to time adopt, modify and revoke in whole or in part by a vote of not less than one hundred percent (100%) of the voting eligible members at any meeting duly called for the purpose, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons in said Property as it may deem necessary. The Rules and Regulations, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Town Home Owner and shall be binding upon all members and occupants of the Property.

Section 6. Remedies. In the event of any violation of the provisions of the Declaration, these Bylaws or the Rules and Regulations by any Town Home Owner (either by his own conduct or by the conduct of any occupant of his Town Home), the Association, or its successors or assigns, shall have each and all of the rights and remedies that may be provided for in the Declaration, these Bylaws and/or the Rules and Regulations, or that may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Town Home Owner and/or others for enforcement of any lien and the appointment of a receiver for the Town Home and ownership interest of such Town Home Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or for the right to take possession of the Town Home and to sell the same as provided hereinafter, or for any combination of remedies or for any other relief. All expenses of the Association in connection with any such actions or proceedings, including court costs,

attorney's fees, other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of twelve percent (12%) per annum, until paid, shall be charged to and assessed against such defaulting Town Home Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Association shall have a lien for all of the same, as well as for nonpayment of common expenses, upon the Town Home, and its appurtenant interest in the Common Elements, of such defaulting Town Home Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Town Home or located elsewhere in the Property, all as provided in the Declaration; provided, however, that such lien shall be subordinate to the lien of a Recorded first mortgage or deed of trust on the Town Home as provided in the Declaration. In the event of any such default by any Town Home Owner, the Board shall have the authority to correct such default and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Town Home Owner and be secured by the lien hereinabove provided. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board, on behalf of the Association. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of Record of mortgage and deed of trust liens against the Town Homes.

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

Owner's interest in the Property and to maintain an action for possession of such Town Home in the manner provided by law.

If any Town Home Owner (either by his own conduct or by the conduct of any other Occupant of his Town Home) shall violate the provisions of the Declaration, these Bylaws or the Rules and Regulations, and if such default or violation shall continue for ten (10) days after notice to the Town Home Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, thereupon an action in equity may be filed by the Board, on behalf of the Association, against said defaulting Town Home Owner for a decree of mandatory injunction against such defaulting Town Home Owner or Occupant.

Section 7. Right of Entry. The Managing Agent or any person authorized by the Board of Directors shall have the right to enter each Town Home at any time in cases of emergency and at all other reasonable times if the Town Home Owner or Occupant is present. Every Town Home Owner and Occupant shall permit other Town Home Owners or their representatives to enter his Town Home at reasonable times for the purpose of performing authorized installations, alterations or repairs to any Common Elements therein for central services provided that requests for entry are made in advance.

Section 8. Title. Every Town Home owner shall promptly cause to be duly recorded in the Register's Office for Davidson County, Tennessee, the deed, lease, assignment or other conveyance to him of his Town Home or other evidence of his title thereto and file such evidence of his title with the Board of Directors through the Secretary, and the Secretary shall maintain such information in the record of ownership of the Association.

Section 9. Deeds of Trust and Mortgages. Any holder of a deed of trust or mortgage with respect to a Town Home may file a copy of such instrument with the Board of Directors through the Secretary, who shall be required to notify such holder or mortgagee of:

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

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

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

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

Section 10. Insurance. The Board on behalf of the Association and its common expense shall at all times keep the Buildings insured with a joint policy of insurance against loss or damage by fire with extended coverage in an insurance company authorized to do business in the State of Tennessee in accordance with the Declaration.

Article VI. Execution of Instruments

Section 1. Instruments Generally. All checks, drafts, notes, bonds, acceptances, contracts and all other instruments except conveyances shall be signed by such person(s) as shall be designated by resolution applicable thereto.

Article VII. Liability of Officers, Directors and Members

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

Section 2. Indemnification. The Association shall indemnify and hold harmless each of its directors and officers, each member of any committee appointed pursuant to these Bylaws, the Board and/or Developer against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, committee members or Developer, on behalf of the Town Home Owners, or arising out of their status as directors, officers, committee members or Developer, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification

against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such director, officer, Board, committee member or Developer may be involved by virtue of such person(s) being or having been such director, officer, committee member or Developer; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director, officer, committee member or Developer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person(s) being adjudged liable for gross negligence or fraud in the performance of his or their duties as such director, officer, committee member or Developer.

Section 3. Success on Merits. To the extent that the Developer or a member of the Board of Directors or an officer of the Association or a member of any committee appointed pursuant to the Bylaws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 2 of this Article VII, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

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

Section 5. Miscellaneous. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge the Association's obligations under this Article; provided, however,

that the liability of any Town Home Owner arising out of any contract made by or other acts of the directors, Board, officers, members of such committees or Developer, or out of the aforesaid indemnity in favor of the directors, Board, officers, members of such committees or Developer, shall be limited to such proportion of the total liability hereunder as said Town Home Owner's percentage of interest in the Common Elements.. Every agreement made by the directors, Board, officers, members of such committees, Developer or the Managing Agent on behalf of the Town Home Owners shall provide that the directors, Board, officers, members of such committees, Developer or the Managing Agent, as the case may be, are acting only as agents for the Town Home Owners and shall have no personal liability thereunder (except as Town Home Owners), and that each Town Home Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements.

Article IX. Amendment

Section 1. Amendment. These Bylaws may be amended, modified or revoked in any respect from time to time by vote of not less than one hundred percent (100%) of the Town Home Owners at a meeting duly called for the purpose; PROVIDED, HOWEVER, that the contents of these Bylaws shall always contain those particulars that are required to be contained herein by the Act; and PROVIDED, FURTHER, that no modification of or amendment to these Bylaws shall be valid unless also provided within the Declaration.

Section 2. Conflict. In the event of any conflict between the provisions of these Bylaws and the provisions of the Declaration, the Declaration shall govern and apply.

Article X. Miscellaneous

Section 1. Terminology. When used herein, the singular shall include the plural, and vice versa, and the masculine, feminine or neuter gender shall include all other genders, as the context requires.

Article XI. Definitions

Section 1. Terms Defined in Declaration. Capitalized terms not defined herein shall have the meaning given them in that certain Declaration for Yellow House Town Homes Homeowners' Association, Inc. executed by EC Partners, LLC, Developer, to which these Bylaws are attached and of which these Bylaws are a part.

The foregoing constitutes the Bylaws of this corporation as adopted and in full force and effect on this 17th day of March, 2010.

President, Nathan Evans

Secretary, Jan Thomas