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**This Instrument Prepared by:**
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# DECLARATION OF PROTECTIVE COVENANTS CONDITIONS AND RESTRICTIONS FOR HARRIS AT BURNS STREET

## A TOWNHOUSE PLANNED UNIT DEVELOPMENT

(Horizontal Property Regime with Private Elements)

This Declaration of Protective Covenants, Conditions and Restrictions for HARRIS AT BURNS STREET, a Townhouse Planned Unit Development ("Horizontal Property Declaration"), a Horizontal Property Regime with Private Elements, is made and entered into by LADEVIA A. DAVIS (collectively "Declarant"), being the Owner of the Development Property.

**WITNESSETH:**

WHEREAS, the Development Property subject to this Horizontal Property Declaration is certain real property located in DAVIDSON COUNTY, Tennessee (the "Development Property"), more particularly described on Exhibit A attached hereto, which is the same Development Property subject to the Original Master Deed;

WHEREAS, Declarant will develop the Development Property as a residential community and establish and maintain thereon one or more single-family residential townhouses;

WHEREAS, Declarant desires to provide for the protection and preservation of the values, desirability and character of the Development Property;

WHEREAS, Declarant desires to provide a system of administration, operation and maintenance of the Development Property;

WHEREAS, Declarant, being all the Owners of the Development Property, desire to submit the Development Property, together with all buildings, structures, improvements and other permanent fixtures of any kind whatsoever hereafter constructed thereon, and all rights and privileges belonging or pertaining thereto, to the provisions of this Horizontal Property Declaration and the Horizontal Property Act of the State of Tennessee codified at Tenn. Code Ann. § 66-27-101 through 123 (the "Act") in order to establish and construct thereon a Townhouse Planned Unit Development, a horizontal property regime with Private Elements to be known as "HARRIS AT BURNS STREET", consisting of residential dwellings ("Units"), together with certain buildings, structures, driveways, walkways, amenities, improvements and other permanent fixtures thereon as further described on Exhibit B attached hereto;

WHEREAS, Declarant presently contemplates that the Units comprising the Townhouse Planned Unit Development will consist of different floor plans each having their own Private Elements and Limited

Common Elements appurtenant to and serving such Units; and

WHEREAS, Declarant desires to establish for its own benefit and for the benefit of all future Owners and Occupants of the Development Property or any portion thereof, certain rights, privileges and easements in, over and upon the Development Property, and to this end, desires to subject the Development Property to certain mutually beneficial covenants, restrictions, obligations, easements, charges and liens for the purpose of enhancing and protecting the value, desirability and attractiveness and well as the proper use, conduct and maintenance of the Development Property or any part thereof.

NOW, THEREFORE, for the purposes set forth herein above Declarant, as legal title holder of the Development Property, declares as follows:

## ARTICLE I. SUBMISSION OF DEVELOPMENT PROPERTY TO THE ACT

1. Establishment. Declarant hereby submits and subjects the Development Property to the provisions of the Horizontal Property Act of the State of Tennessee codified at Tenn. Code Ann. § 66-27-101 through 123 and this Horizontal Property Declaration, and hereby establishes a Townhouse Planned Unit Development to be known as HARRIS AT BURNS STREET pursuant to Tenn. Code Ann. § 66-27-103(b), and hereby declares that the Development Property shall be held, sold and enjoyed subject to the easements, restrictions, covenants and conditions of this Horizontal Property Declaration, which are for the purpose of protecting the value and desirability of the Development Property and which shall run with the land and be binding upon and inure to the benefit of all parties now or hereafter having any right, title or interest in the Development Property or any part thereof.

2. Site Plan. The Site Plan attached hereto as Exhibit B and incorporated herein sets forth the numbers, areas and location of each Unit, the Private Elements appurtenant thereto as well as any other data necessary for their identification as required by the Act.

3. Units. Each Unit is numbered as shown on the Site Plan and the legal description of each Unit shall consist of the identifying number or symbol of each Unit and its Private Elements as shown and further described on the Site Plan attached hereto as Exhibit B. Every deed, lease, Mortgage, deed of trust or other instrument shall legally describe a Unit by its identifying number as shown on the Site Plan and every description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall by deed, plan, court decree or otherwise, subdivide or in any other manner cause his Unit or its Private Elements to be separated into any tracts or parcels different from the whole Unit and its Private Elements as shown on the Site Plan.

## ARTICLE II. DEFINITIONS

The following words when used in this Horizontal Property Declaration or any Supplemental Instrument hereto shall have the following meanings:

4. "Act" shall mean and refer to the "Horizontal Property Act" of the State of Tennessee codified at Tennessee Code Annotated, Section 66-27-101 through 123.

5. "Annual Assessment" shall mean and refer to the regular, yearly assessment of Common Expenses attributable to a particular Unit as further described herein.

6. "Association" shall mean and refer to HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., a Tennessee Non-Profit Townhouse Corporation, its successors and assigns. Each Unit Owner shall be a Member and co-owner of the Association.

7. "Board" or "Board of Directors" shall mean and refer to the body, regardless of name, designated in the Horizontal Property Declaration to act on behalf of the Association.

8. "Builder" shall mean and refer to any Person who is in the business of constructing single family and/or multi-family residences and who acquires any Unit building site(s) (referred to herein as Unit Pad(s) as further defined below) within the Development Property for the purpose of constructing Unit(s) thereon for sale to a third party customer of the Builder.

9. "Building" shall mean and refer to any one or all of the building(s) located on the Site Plan for the Development Property as shown on Exhibit B and forming a part of the Development Property and each containing Units.

10. "By-Laws" shall mean and refer to the By-Laws of the Association attached hereto as Exhibit D and made a part hereof, as same may be amended from time to time. For purposes of the Act, all provisions contained in the body of this Horizontal Property Declaration dealing with the administration and maintenance of the Development Property and other matters which the Act provides are to be dealt with by the By-Laws shall be deemed to be part of the By-Laws.

11. "Common Element" shall mean and refer to all of the Development Property comprising the Townhouse Planned Unit Development, except for the Units and the Private Elements and Limited Common Elements appurtenant thereto. All Common Elements shall be exclusively owned by the Association for the use and benefit of every Unit Owner, who shall be a co-owner of the Association as set forth in Tenn. Code Ann. § 66-27-102(15). Without limiting the generality of the foregoing, Common Elements shall include the following, except as otherwise herein provided or stipulated:

a. The land, devices, improvements, structures, installations or any other elements or part of the Development Property that are rationally for the common use and benefit of all Unit Owners or necessary to the existence, upkeep and safety of the Townhouse Planned Unit Development established by this Horizontal Property Declaration.

b. All foundations, roofs, exterior walls, bearing walls and columns that are common to TWO (2) or more Units.

c. All other elements of any Building desirable or rationally of common use or necessity to its existence, upkeep or safety.

d. All compartments or installations of central services such as power, light, gas, water, sewer, telephone, cable television, including master meters, and the like on the Development Property that are common to or service TWO (2) or more Units.

e. All driveways, access roads, walkways, sidewalks, parking areas, open spaces and entrances and exits for ingress and egress to and from and over and across the Development Property and to and

from the Units.

f. All improvements, devices or installations existing for the common use and benefit of the Unit Owners.

g. Any common walls or fences.

12. "Common Expense" shall mean and refer to any and all expenses, actual or anticipated, and/or other financial liabilities of the Association together with proper allocation to reserves for the Association in connection with the administration and operation of the Townhouse Planned Unit Development established hereby; the maintenance and repair of the Common Elements and any and all replacements and additions thereto; and the enforcement and compliance with the Act, this Horizontal Property Declaration and the By-Laws.

13. "Common Expense Liability" shall mean and refer to each Unit Owner's liability for Common Expenses allocated to each Unit as further set forth on Exhibit C attached hereto and made a part hereof, as same may be amended from time to time.

14. "Declarant" shall mean and refer to LADEVIA A. DAVIS, its successors and assigns, provided such successors and assigns are designated in writing by Declarant as a successor or assign of the rights of Declarant set forth herein. Declarant may and shall have the right to assign all or a portion of its rights, powers, easements and privileges under the Act and this Horizontal Property Declaration as further set forth and reserved to Declarant. In the event of a partial assignment, the assignee shall not be deemed the Declarant but may and shall have the right to exercise such rights, powers, easements and privileges of the Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

15. "Delinquency Interest Rate" shall mean an annual interest rate established by the Board from time to time; provided, however, in no event shall the Delinquency Interest Rate exceed the maximum contract rate of interest allowed to be charged under applicable law as amended from time to time.

16. "Development Property" shall mean and refer to the real property shown and described on Exhibit A attached hereto and made a part hereof.

17. "Horizontal Property Declaration" shall mean and refer to this Declaration of Protective Covenants, Conditions and Restrictions for HARRIS AT BURNS STREET, a Townhouse Planned Unit Development (a horizontal property regime with Private Elements) applicable to the Development Property and all subsections thereof and recorded in the Register's Office for DAVIDSON COUNTY, Tennessee as may be amended from time to time.

18. "Impositions" shall mean and refer to any assessment, annual or special, or any other Common Expense or charge by the Association against one or more Units owned by a Unit Owner, including reasonable attorney's fees and costs incurred in the enforcement thereof and interest thereon to the extent authorized by law and the provisions hereof.

19. "Limited Common Elements" shall mean and refer to Common Elements and other fixtures lying partially within and partially outside the designated boundaries of a Unit, any portion thereof serving

any Unit or Units to the exclusion of the other Units, the enjoyment, benefit and use of which is reserved exclusively to the Unit Owner(s) of such Unit(s) pursuant to this Horizontal Property Declaration, any Plat or Site Plan or otherwise designated as such by the Board of Directors. Without limiting the generality of the foregoing, such Limited Common Elements include pipes, ducts, chutes, flues, wiring, conduit, walls, partitions, columns, utility meter, water heater, condensing units, HVAC equipment, shutters, awnings, window boxes, window frames and screens, door and door frames, window and door glass panes, doorsteps, stoops as well as porches, patios and balconies, if any. As set forth in Tenn. Code Ann. § 66-27-102(12), Limited Common Elements located upon Private Elements shall be deemed Private Elements. Any improvements made on the Limited Common Elements shall be deemed as a Private Element and any liability shall be with the owner of the Private Element.

20. "Majority of Unit Owners" shall mean and refer to the holders of more than FIFTY-ONE PERCENT (51%) of the total Votes of the Members.

21. "Member" shall mean and refer to any Person(s) that shall be a Unit Owner, and as such, shall be a Member and co-owner of the Association.

22. "Mortgage" shall mean and refer to any a first priority mortgage encumbering a Unit held by a Mortgagee.

23. "Mortgagee" shall mean and refer to any bank, mortgage banker, savings and loan association or other financial institution, which is in the business of making mortgages to customers and which is the record holder of a recorded first priority Mortgage encumbering one or more Units or property within the Development Property, which is not affiliated with the Unit Owner and which has given written notice of its Mortgage to the Association.

24. "Occupant" shall mean and refer to any Person in possession of a Unit, regardless of whether said Person is a Unit Owner.

25. "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity capable of holding title to real property. The use of the masculine pronoun shall include neuter and feminine references as applicable, and use of the singular shall include the plural where the context so requires.

26. "Plans" shall mean and refer to the detailed plans prepared for construction of any Improvement on or within the Development Property, which shall comply with the architectural control provisions, if any, of this Horizontal Property Declaration.

27. "Private Element" shall mean and refer to the lot area upon which a Unit is located and the improvements located thereon as further described on Exhibit B attached hereto and made a part hereof, exclusive of any Common Elements located thereon. The Private Elements appurtenant each Unit include the lot area beneath the Unit as bound by the perimeter of the Unit as further shown and described on Exhibit B. Exclusive ownership and use of the Private Elements for each Unit is reserved to such Unit. As set forth in Tenn. Code Ann. § 66-27-102(12), Limited Common Elements located upon Private Elements shall be deemed to be Private Elements.

28. "Record" and/or "Recording" shall mean and refer to the recording of an instrument in the

Register's Office for DAVIDSON COUNTY, Tennessee.

29. "Rules and Regulations" shall mean and refer to the rules and regulations concerning the use of the Units, Private Elements and the Common Elements, as adopted by the Board in accordance with this Horizontal Property Declaration and By-Laws from time to time.

30. "Site Plan" or "Plat" shall mean and refer to the diagram, plan, survey or plat of the Development Property presently submitted as well as any other diagrams, plans, surveys or plats as may be submitted to this Horizontal Property Declaration and the provisions of the Act, which show the number, area and location of each Unit and other data necessary for their identification. The current Site Plan for HARRIS AT BURNS STREET, as may be amended from time to time, is attached hereto as Exhibit B, and made a part hereof. No dedication to the public is intended by recording any Site Plan with this Horizontal Property Declaration, except as otherwise provided by Declarant.

31. "Special Assessments" shall mean additional assessments of Unit Owners made from time to time by the Board pursuant to this Horizontal Property Declaration.

32. "Supplemental Instrument" shall mean and refer to any amendment to the Horizontal Property Declaration whereby Declarant submits additional property to the terms of the Horizontal Property Declaration or otherwise amends the Horizontal Property Declaration as provided herein.

33. "Unit" shall mean and refer to the individually numbered portion of any Building, designed and built for use and occupancy as a residence and intended for independent ownership, which is not owned in common with any other Unit Owner. The boundaries of each Unit shall be the interior unfinished surfaces of the structural materials and Improvements (e.g. flooring, ceiling and walls) enclosing such living space on the Development Property. Any Unit may be jointly or commonly owned by more than one Person.

34. "Unit Owner" shall mean and refer to the Person(s) whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit, the Private Elements and Limited Common Elements appurtenant thereto. "Unit Owner" shall not mean the Mortgagee or beneficiary of a recorded Mortgage or deed of trust who holds a lien solely for security purposes and does not have possession of the Unit.

35. "Unit Pad" shall mean and refer to the area of the Development Property upon which a Unit comprising a Building is shown on the Site Plan. Any Unit Pad(s) to be conveyed to Builder(s) for the construction of Units thereon shall not be conveyed separately from all other Unit Pads comprising any Building. Except as otherwise provided herein, Unit Pads, whether developed or to be developed as shown and further depicted (as future phase or otherwise) on Exhibit B, as may be amended from time to time, shall constitute and/or be considered a "Unit" for the purposes of calculating the total number of Units comprising the Development Property, Membership and co-ownership of the Association, Voting and Common Expense Allocation.

36. "Vote" shall mean and refer to the vote in the affairs of the Association to which each Member is entitled, as further set forth herein.

## ARTICLE III. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

1. Owners Association. There has been or will be formed an Association having the name "HARRIS AT BURNS STREET", a Tennessee Non-Profit Townhouse Corporation, which shall be the governing body for all Unit Owners and shall be operated to provide for the maintenance, repair, replacement, administration, operation and care of the Development Property, as provided in the Act, this Horizontal Property Declaration and the By-Laws. All Common Elements shall be owned by the Association for the use and benefit of the Unit Owners and their family members, invitees, agents, representatives, tenants and licensees for such purposes incidental to the use of the Units. The By-Laws for the Association shall be the By-Laws attached to this Horizontal Property Declaration as Exhibit D and made a part hereof. The Charter for the Association is attached hereto as Exhibit E. The Board shall be elected and serve in accordance with the provisions of the By-Laws. The fiscal year of the Association shall be determined by the Board as may be changed from time to time by the Board. 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 Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of the Unit Owners in accordance with the provisions of this Horizontal Property Declaration and the By-Laws.

2. Membership. Each Unit Owner shall be a Member and co-owner of the Association. Membership and co-ownership in the Association shall be appurtenant to and may not be separated from ownership of a Unit. A Unit Owner's membership in the Association shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall succeed simultaneously to the former Unit Owner's membership and co-ownership in the Association.

3. Voting. The voting rights of the Members shall be appurtenant to their ownership of a Unit(s). Each Member shall be entitled to cast a single vote for each Unit owned by such Member. When two or more Persons hold an interest (other than a leasehold or security interest) in a Unit, all such Persons shall be Members; but the Vote attributable to such Unit shall be exercised by one of such Persons as proxy and nominee for all such Members, and in no event shall more than one (1) Member be entitled to cast the Vote attributable to such Unit. Furthermore, neither the Declarant nor any other Person dealing with the Development Property shall have any duty to inquire as to the authorization of the Member casting the Vote for a Unit, but shall be entitled to rely upon the evidence of voting as conclusive evidence of such Member's authority to cast the Vote for such Unit.

4. Voting Rights. Any Member, who is delinquent in the payment of any Common Expense, Imposition or other charge duly levied by the Association against any Units(s) owned by such Member, shall not be entitled to Vote until all such Common Expenses, Impositions and charges, including reasonable penalties, interest and costs of collection, as the Board may impose or incur, have been paid to the Association. In addition, the Board may suspend the right of such Member to use the Common Elements or any other amenities or facilities or services of the Association until such delinquency is cured. The forgoing rights of the Board shall be in addition to all other rights set forth herein or available at law or in equity with respect to a failure to pay Common Expenses, Impositions and other duly levied charges.

5. Manner of Voting. Except as specifically provided elsewhere herein, the Board shall have the authority to regulate the procedural rules governing the voting of Members, the acceptance of proxies from Members, the validity of voice Votes, ballot Votes or other manners of voting and any regulation of

the solicitation of Votes or proxies.

6. Annual Meetings. The annual meetings of the Members for the election of Directors and such other business as shall come before the Members shall be held on a date to be selected by the Board. Until the first regular annual meeting of the Members, the members of the Board shall be appointed by the Declarant or the Declarant shall act as and on behalf of the Board.

7. Management of Property. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Development Property and to manage the affairs of the Association to the extent deemed advisable by the Declarant and thereafter the Board. The Managing Agent shall be required to have fidelity bond coverage on its employees handling Association funds, and the cost of such services shall be a Common Expense of the Association.

8. Non-Liability of Declarant, Board and Officers. To the extent permitted by law, neither the Declarant, the Board nor officers of the Association shall be personally liable to Unit Owners or the Association for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Declarant, Board member or officer, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. Unit Owners and the Association shall indemnify and hold harmless the Declarant, the Board and the officers and their respective heirs, executors, administrators, successors and assigns.

9. Binding Determination. In the event of any dispute or disagreement between any Unit Owners relating to the Development Property; or the use, right to use or maintenance of any Common Element; or any other questions of interpretation or application of the provisions of this Horizontal Property Declaration, the By-Laws or any Rule or Regulation, the determination thereof by the Declarant and thereafter the Board shall be final and binding on each and all Unit Owners.

## ARTICLE IV. COMMON EXPENSES AND ENFORCEMENT

1. Common Expenses. Each Unit Owner, by acceptance of a deed therefore and commencing with the date of ownership of his Unit, is deemed to covenant and shall pay his proportionate share of the Common Expenses, which are to be assessed at least annually based upon a budget adopted at least annually by the Board, as well as any Imposition or other duly levied charge of the Association. No Unit Owner shall be exempt from payment of his proportionate share of the Common Expenses, Impositions and other duly levied charges of the Association by waiver or non-use of enjoyment of the Common Elements or by abandonment of his Unit. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Common Expenses, Impositions or other duly levied charges on a specified Unit have been paid. A properly executed certificate of the Association as to the status of the Common Expenses, Impositions or other duly levied charges on a Unit is binding upon the Association as of the date of its issuance.

2. Commencement and Allocation. The Board shall set the time and manner by which the Common Expenses, Impositions or other duly levied charges are paid. Written notice of the Common Expenses, any Imposition and other duly levied charges shall be sent to every Unit Owner subject thereto. Except as otherwise set by the Board, all such Common Expenses are payable in MONTHLY INSTALLMENTS due on the FIRST DAY of each MONTH and delinquent as of the TENTH DAY of

the month. Any Impositions or other duly levied charges shall be due as provided on the notice related thereto and shall be deemed delinquent as of the TENTH DAY following the due date. Any delinquent Common Expense, Imposition or other duly levied charge shall be subject to a late payment fee of TEN PERCENT (10%) of the amount owed per annum until paid. The first Common Expenses, Impositions and other duly levied charge, if any, to be paid by a Purchaser shall be adjusted according to the number of months remaining in the calendar year.

3. Special Assessments. In addition to the Common Expenses authorized herein, the Board may levy a Special Assessment in addition to Common Expenses applicable to a particular year. Special Assessments shall be due and payable on the date which is fixed by the resolution authorizing such Special Assessment, and each Unit Owner shall be responsible for paying his share of the Special Assessment in the same percentage of the Common Expenses as described on Exhibit C. Special Assessment shall be due as provided on the notice related thereto and shall be deemed delinquent as of the TENTH DAY following the due date. Any delinquent Special Assessment shall be subject to a late payment fee of TEN PERCENT (10%) of the amount owed per annum until paid.

4. Reserve Fund. An adequate reserve fund for the maintenance, repair and replacement of items to be maintained, repaired or replaced by the Association pursuant to this Horizontal Property Declaration and the By-Laws shall be established by the Board and funded by the Common Expenses.

5. Use of Common Expenses. The Board shall have the power and authority to levy Assessments and other Impositions against all Members:

a. To promote the recreation, health, safety and welfare of the Unit Owners.

b. To provide for the maintenance, cleaning, painting, repair, replacement of, and additions to the Common Elements.

c. To pay taxes, insurance premiums for hazard insurance for Common Elements and insurance premiums for liability insurance protecting the Board, officers and the Declarant for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Declarant, Board member or officer, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. Unit Owners and the Association shall indemnify and hold harmless the Declarant, the Board and the officers and their respective heirs, executors, administrators, successors and assigns.

d. To pay bills, if any, related to the management of the affairs and maintenance of the Association.

e. To pay the fees of any Management Agent that the Association may employ to manage the affairs of the Association.

f. To pay such other reasonable and necessary expenses of the Association required by or reasonably related to effectuating the rights, duties and responsibilities of the Association as provided by the Act, this Horizontal Property Declaration or the By-Laws.

6. Creation of Lien. The Association shall have a lien on a Unit for any Common Expense assessment or Imposition, including fines imposed against the Unit Owner, and such lien may be foreclosed by judicial action and shall have priority as to all other liens and encumbrances on a Unit except

(a) liens and encumbrances recorded before the recordation of the Horizontal Property Declaration; (b) a first mortgage or deed of trust recorded before the date on which the Common Expense assessment or Imposition sought to be enforced became delinquent; and (c) liens for real estate taxes and other governmental assessments or charges against the Unit. The Recording of this Horizontal Property Declaration constitutes record notice and perfection of the lien, and no further recordation of any claim of lien for Common Expense assessments or Impositions is required. The lien for unpaid Common Expense assessments or Impositions is extinguished unless proceedings to enforce the lien are instituted within SIX (6) years after the date the lien for same becomes effective (i.e. due and unpaid). Such lien shall bear interest at the Delinquency Interest Rate, together with any reasonable late charge established by the Board and all costs, including reasonable attorney's fees in the collection thereof or in the enforcement of the lien.

7. Personal Obligation. The Common Expenses and other Impositions, together with such interest, attorney's fees and costs shall also be the personal obligation of the Person who was the Unit Owner at the time same became due. Such personal obligation shall not pass to successors in title unless expressly assumed by them. The Association may bring an action at law against the Unit Owner personally obligated to pay same. If the lien is not paid prior to any sale or transfer of the encumbered Unit, then the lien shall remain against the Unit and shall be payable by the new Unit Owner thereof.

8. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his Unit and the Private Elements and Limited Common Elements appurtenant thereto. In the event that such taxes for any year are not separately taxed to each Unit Owner, but rather are taxed on the Development Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Common Expense Liability as shown on Exhibit C.

9. Separate Utility Charges. Utility services for Units shall be separately metered, and all utility charges for the Units shall be assessed to and shall constitute the sole responsibility of the respective Unit Owners thereof. In the event that such utility charges are not separately metered and charged to each Unit Owner, but rather are charged on the Development Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Common Expense Liability as shown on Exhibit C.

## ARTICLE V. USE OF COMMON ELEMENTS

1. Common Elements. Each Unit Owner shall have the right and easement to use the Common Elements, except for Private Elements and Limited Common Elements, in common with all other Unit Owners and as may be required for the purposes of access, ingress, egress, use, occupancy and enjoyment of the Unit owned by such Unit Owner.

2. Private Elements. Each Unit Owner shall have the right to the exclusive ownership, use and possession of the Private Elements appurtenant to his Unit.

3. Limited Common Elements. Each Unit Owner shall have the sole and exclusive right and easement to the use, benefit, occupancy and enjoyment of the Limited Common Elements serving his Unit alone.

4. Delegation of Rights. Such rights to use the Common Elements, Private Elements and the

Limited Common Elements shall extend not only to each Unit Owner but also to his family members, invitees, agents, representatives, tenants and licensees.

5. Limitation on Use. The rights to use the Units, Private Elements, Common Elements, Limited Common Elements, the Development Property or any portion thereof as provided for herein shall be subject to and governed by the provisions of the Act, this Horizontal Property Declaration, By-Laws and Rules and Regulations adopted by the Board from time to time.

## ARTICLE VI. ALTERATIONS AND IMPROVEMENTS

1. Common Elements. No Unit Owner shall make any alteration, addition or improvement to, or place any Improvement upon the Common Elements, or any portion thereof, without the prior written approval of the Declarant and thereafter the Board. The Declarant and thereafter the Board may authorize and charge as part of the Common Expenses any such alteration, addition or improvement.

2. Units, Private Elements and Limited Common Elements. Unit Owners shall be permitted to make any alteration, addition or improvement to the INTERIOR of his Unit without the prior written approval of the Board for so long as such alteration, addition or improvement does not impair the structural integrity or mechanical systems thereof. However, such Unit Owner shall be responsible for any damage to other Units, the Private Elements and Limited Common Elements appurtenant thereto, the Common Elements, the Development Property or any part thereof resulting from such alteration, addition or improvement. Any alteration, addition, improvement or maintenance made by a Unit Owner to the EXTERIOR of his Unit, its Private Elements and the Limited Common Elements shall be in strict conformity with the architectural style and design of the Unit as originally constructed and shall be compatible with other improvements constructed on the Development Property as determined by the Declarant and Metropolitan-Davidson County Ordinances. Further, no chain link or wire fences are allowed to be constructed.

3. Limited Effect of Plan Approval. The approval by the Board of a Unit Owner's Plans for the construction of an Improvement is not intended to be an approval of the structural stability, integrity or design of a completed improvement, the safety of any component therein, or the compliance thereof with DAVIDSON COUNTY regulatory requirements or any federal, state or local law, regulation or ordinance. This approval by the Board is required solely for the purpose of insuring compliance with the covenants contained herein and to insure the harmonious and orderly architectural and aesthetic development and improvement of the Development Property. Notice is hereby given to any future Unit Owner, occupant and all invitees and other persons who may from time to time enter such completed Improvement that no permission or approval granted by the Board or the Association with respect to the construction of any Improvement pursuant to this Horizontal Property Declaration shall constitute or be construed as an approval of the structural stability, integrity or design of a completed Improvement, the safety of any component therein or the compliance thereof with DAVIDSON COUNTY regulatory requirements or any federal, state or local law, regulation or ordinance. As such, no liability shall accrue to the Declarant, the Board or to the Association in the event that any such construction shall subsequently prove to be defective or not in compliance with such requirements.

4. Declarant / Association: Improvements made and/or work performed by the Association shall not be subject to the provisions of this Article. Notwithstanding anything to the contrary set forth elsewhere in this Horizontal Property Declaration, Declarant and the Association shall not be responsible

for the maintenance, repair and replacement of any construction, installation, alterations or additions not made in compliance with the provisions of this Article.

## ARTICLE VII. USE AND OCCUPANCY RESTRICTIONS

1. General. The following restrictions on the use and occupancy of the Development Property, or any part thereof, are made a part of this Horizontal Property Declaration to which each Unit Owner shall be subject.

2. Residential Unit. Each Unit shall only be used for residential purposes and purposes incidental and necessary thereto consistent with this Horizontal Property Declaration, and not otherwise. The foregoing restriction shall not, however, be construed in such a manner as to prohibit a Unit Owner from: (i) keeping his personal business or professional records or accounts; or (ii) handling his personal business or professional calls or correspondence from his Unit. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restriction. Further, the foregoing restriction shall not preclude real estate sales offices and construction trailers from being maintained on the Development Property by or on behalf of the Declarant for purposes of construction, development and sale of the Development Property and the Units located or to be located thereon.

3. Unit Lease. No Unit, or interest therein, shall be leased by a Unit Owner except by a written lease. The Lessee under such lease shall be bound by and subject to all of the terms, conditions, restrictions, rights and obligations of this Horizontal Property Declaration, By-Laws and the Rules and Regulations, which shall be expressly provided in the lease. Failure to comply with the Declaration and By-Laws shall be a default under such lease. No Unit Owner may lease less than the whole of a Unit. This restriction shall not be deemed to prohibit Mortgagee who takes title to a Unit pursuant to the terms of its security instrument from leasing a Unit for a limited time until the Mortgagee can find a buyer for the Unit.

4. Good Condition and Order. Each Unit Owner shall maintain his Unit and the Private Elements and Limited Common Elements appurtenant thereto in good condition and in good order and repair, at his own expense. Each Unit Owner shall not do or allow anything to be done or kept within his Unit, the Private Elements and Limited Common Elements appurtenant thereto or the Common Elements which may increase the cost or cause the cancellation of insurance on other Units, the Private Elements and Limited Common Elements appurtenant thereto or the Common Elements.

5. Nuisances. No unlawful, noxious or offensive activities shall be carried on or in any Unit, the Private Elements and Limited Common Elements appurtenant thereto; the Common Elements; or elsewhere within the Development Property. Nothing shall be done therein or thereon, which may be or may become a nuisance or which shall in the judgment of the Board cause unreasonable noise and disturbance to others.

6. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on or within the Development Property; except that dogs, cats or other household pets may be kept, provided they are confined to the Units, the Private Elements and Limited Common Elements appurtenant thereto. However, such dogs, cats or other household pets shall not be kept, bred or maintained for any commercial purposes, and they shall not be kept in such numbers as to become a nuisance to others. It is the responsibility of the pet owner to clean and dispose of any waste produced by the pet. Further, such dogs,

cats or other household pets shall be kept in strict accordance with any Rules and Regulations relating to household pets from time to time may be adopted by the Association.

7. Garbage Disposal. The Development Property shall not be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers and shall be disposed of in a clean and sanitary manner.

8. Clotheslines and Lighting. No clotheslines, clothes hanging devices or the like upon any Unit or its Private Elements shall be permitted. Outside lights at eaves and door entrances, flood lights and spot lights shall be permitted; provided, however, these lights must be adjusted so that the rays of any beam or floodlight shall not interfere with neighboring Units and their Private Elements. Exterior flashing lights or spot/flood lights on the exterior that shine on or into adjacent Units and their Private Elements shall be prohibited. Walkway, driveway or landscape lighting shall be of low intensity. Seasonal decorative lighting shall be permitted only during the holiday season. Any lighting inconsistent with these restrictions must be approved by Declarant during Development Period and thereafter the Board.

9. Codes. Each Unit Owner shall observe all governmental building codes, health restrictions, zoning restrictions and other regulations applicable to his Unit and its Private Elements. In the event of any conflict between any provision of such governmental code, regulation or restriction and this Declaration, the more restrictive provision shall apply.

10. Vehicles. Junk vehicles, inoperable vehicles, unlicensed vehicles, vehicles not for immediate use or vehicles of any kind in disrepair may not be kept, parked, serviced or assembled in public view on the Development Property. "Serviced" for purposes of this subparagraph shall not be deemed to include the cleaning, washing or polishing of a vehicle; the changing of oil, lubricants, anti-freeze or other fluids; nor the replacing of air, oil or other filters used in the vehicle.

11. Use of Common Elements. The Common Elements shall be used by Unit Owners and their family members, invitees, agents, representatives, tenants and licensees for such purposes incidental to the use of the Units; provided, however, areas designed for a specific use shall be used for the purposes so designated as approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner.

12. Personal Property. Articles of personal property belonging to any Unit Owner and their family members, invitees, agents, representatives, tenants and licensees, such as bicycles, wagons, toys, furniture, clothing and other articles shall be stored or kept in the Unit, garage or other storage facility.

13. Additional Prohibited Activities. The Board may from time to time reasonably prohibit certain activities on or within the Development Property and such prohibition shall be final and binding on all Unit Owners.

14. Binding Determination. In the event of any dispute or disagreement between any Unit Owners relating to the Development Property, the use, right to use or maintenance of any Common Elements, or any other questions of interpretation or application of the provisions of this Horizontal Property Declaration or the By-Laws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners and Occupants.

## ARTICLE VIII. MAINTENANCE

1. Common Elements. Except as otherwise provided herein, maintenance of, repairs to and replacements within the Common Elements shall be the responsibility of and shall be furnished by the Association, the cost of which shall be part of the Common Expenses assessed to and paid by all Unit Owners.

2. Units, Private Elements and Limited Common Elements. Each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his Unit as well as to the Private Elements and Limited Common Elements appurtenant to his Unit. If any Unit Owner fails to maintain, repair or replace any items required herein to be maintained, repaired or replaced by said Unit Owner, then the Association shall have the right, but not the duty, in its sole discretion, to carry out such maintenance, repair or replacement, the cost of which shall be added to and become a part of the Common Expense attributable to such Unit.

3. Unit Owner Responsibility for Damage. If the negligent act or inaction of a Unit Owner or of his family members, invitees, agents, representatives, tenants, licensees or household pet causes damage to or necessitates the maintenance, repair or replacements of the Common Elements, which would otherwise be a part of the Common Expenses, then such Unit Owner shall pay for such damage or such maintenance, repair and replacement, as may be determined by the Board, to the extent not covered by the Association's insurance. If the act or inaction of a Unit Owner or of his family members, invitees, agents, representatives, tenants or licensees that causes damage to or necessitates the maintenance, repair or replacements of Common Elements is intentional, reckless or grossly negligent, then such Unit Owner shall pay for such damage or maintenance, repair and replacement as may be determined by the Board irrespective of the extent of the Association's insurance coverage.

4. Decorations and Cleaning. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating and routine cleaning and maintenance within his Unit, as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, carpeting, floor covering, draperies, window shades and curtains, lighting / plumbing fixtures and other furnishings / decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings of his Unit, and such Unit Owner shall maintain said interior surfaces in good condition at his sole expense. Said maintenance and use of interior surfaces shall be subject to the Rules and Regulations of the Association, but each Unit Owner shall have the right, at his sole expense, to decorate such interior surfaces from time to time as he may see fit. All windows, doors and screens, including storm windows and doors, forming part of a perimeter wall of a Unit shall be cleaned and washed, and any damage thereto repaired, at the expense of the Unit Owner of that Unit.

## ARTICLE IX. REMEDIES AND ENFORCEMENT

1. General. In the event of any violation of the provisions of the Act, this Horizontal Property Declaration, the By-Laws and/or the Rules and Regulations of the Association by any Unit Owner by his own conduct or by the conduct of any family member, invitee, agent, representative, tenant or licensee, the Association, its successors or assigns, any Unit Owner aggrieved thereby and the Declarant shall have each and all of the rights and remedies which may be provided for in this Horizontal Property Declaration, the By-Laws, the Rules and Regulations and any right that may be available at law or in equity. The Association, its successors or assigns, and the Declarant may prosecute an action or other proceeding

against such defaulting Unit Owner and/or others for the enforcement of any right or remedy; the enforcement of any lien; for damages, injunction or specific performance; for judgment for payment of money and collection thereof; for any combination of remedies; or for any other relief available and appropriate. Any action in tort or contract alleging wrongdoing by the Association must be brought against the Association and not against any Unit Owner.

2. Violation and Non-compliance Fines. In the event of any violation of the provisions of the Act, this Horizontal Property Declaration, the By-Laws or the Rules and Regulations of the Association by any Unit Owner or any family member, invitee, agent, representative, tenant or licensee of his Unit, the Declarant during the Development Period and thereafter the Board or an authorized agent thereof shall give written notice to the Unit Owner of such non-compliance and the basis therefore. If the violation or non-compliance is not brought into compliance or a satisfactory resolution is presented in writing by the Unit Owner and accepted by the Declarant during the Development Period and thereafter the Board within TEN (10) business days of the delivery of this written notice, then the Declarant during the Development Period and thereafter the Board shall be authorized: (a) to assess reasonable fines related to the violation and/or non-compliance; and/or (b) to make the necessary corrections or to take necessary action to achieve compliance at the Unit Owner's expense. In the event of multiple or continuing violations, fines may be assessed against the Unit Owner without further notice or opportunity to cure, and the Board may make the necessary corrections or to take necessary action to achieve compliance at the Unit Owner's expense.

3. Enforcement Costs. All expenses of the Association and the Declarant in connection with any such actions or proceedings, including court costs and reasonable attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the Delinquency Interest Rate or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to, assessed against and paid by such defaulting Unit Owner. All such expenses of the Association, if not paid, shall be added to and deemed part of the Unit Owner's respective share of the Common Expenses, and the Association shall have a lien on the Unit and the Private Elements and Limited Common Elements appurtenant thereto.

4. No Waiver. The failure by the Declarant, the Board or any Unit Owner to enforce any covenant, restriction or Rule and Regulation provided in this Horizontal Property Declaration, the By-Laws or the Act shall in no event be deemed a waiver of the right to do so thereafter.

## ARTICLE X. DECLARANT AND DEVELOPMENT RIGHTS

1. In addition to all other rights reserved by or otherwise provided in favor of the Declarant in this Horizontal Property Declaration, as may be amended from time to time, and the Act, the Declarant during the Development Period, shall have the following rights:

a. To complete Improvements indicated on Plats and Plans filed with this Horizontal Property Declaration, as may be amended from time to time.

b. To create, add, withdraw, modify, alter or redefine Units or Common Elements comprising the Townhouse Planned Unit Development; to subdivide Units or convert Units into Common Elements; and to allocate Limited Common Elements to specific Units.

c. To make the Townhouse Planned Unit Development part of a larger planned community or to

make the Townhouse Planned Unit Development subject to a master association.

d. To grant licenses to Persons who are not Unit Owners to use portions of the Common Elements, subject to an obligation to pay an equitable share of the Common Expenses attributable to such licensed Common Elements.

2. Rights Reserved. In addition to any rights reserved elsewhere in this Horizontal Property Declaration, the right and easement of use and enjoyment of the Common Elements provided for by this Horizontal Property Declaration shall be subject to:

a. The right of the Declarant and thereafter the Association to suspend the use and enjoyment rights of any Unit Owner for any period during which any Common Expense, Imposition or other duly levied charge remains unpaid and for such period of time as it considers appropriate for any infraction of the Associations published Rules and Regulations.

b. The right of the Declarant and thereafter the Association to charge reasonable fees for the use of any part or parts of the Common Elements or other amenity owned by the Association or otherwise available for use by the Unit Owners.

c. The right of the Declarant and thereafter the Association, at its sole expense, to construct, expand, enlarge or relocate sewers, utility lines or service connections in order to serve the existing Units.

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

e. The right of the Declarant and thereafter the Association to subject the Development Property to such cross easements for ingress, egress, access and utilities as may be necessary or as may be required by appropriate governmental agency/authority to serve the Development Property and Units.

## ARTICLE XI. RIGHTS AND OBLIGATIONS

1. General. Each grantee of a Unit, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges and subject to the jurisdiction, rights and powers created or reserved by this Horizontal Property Declaration and the By-Laws. All present and future Unit Owners shall be subject to and shall comply with the provisions of this Horizontal Property Declaration and the By-Laws. All restrictions, conditions, covenants, liens, reservations, charges, rights, benefits and privileges hereby imposed: (a) shall be deemed and taken to be covenants running with the land; (b) shall bind any Person having at any time any interest or estate in said land; and (c) shall be binding upon and inure to the benefit of such Person in like manner as though the provisions of this Horizontal Property Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

2. By-Laws. All present and future Unit Owners of a Unit shall be subject to and shall comply with the provisions of the By-Laws attached hereto and recorded herewith, as they may be amended from time to time. The acceptance of a deed of conveyance or devise or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the By-Laws and any Rules and Regulations, as

may be amended from time to time, are assumed, accepted and ratified by such Unit Owner. All such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

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

## ARTICLE XII. MORTGAGEE RIGHTS AND PROTECTIONS

1. Actions Requiring Mortgagee Approval. Except as otherwise provided in the Act, without the prior written consent at least FIFTY-ONE PERCENT (51%) of all recorded first Mortgagees of Units or beneficiaries thereunder (based upon one vote for each Unit upon which a Mortgage is owned), who have requested such notice, the Association shall not be entitled to:

a. By act or omission, seek to abandon or terminate the Townhouse Planned Unit Development established hereby or to seek to abandon or terminate the restrictions herein.

b. Change the formula for determining each Unit's Common Expense Liability or allocating distributions of hazard insurance proceeds or condemnation awards.

c. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements; provided that, the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Development Property shall not be deemed to transfer within the meaning of this clause.

d. Use hazard insurance proceeds for losses to any Common Element for other than the repair, replacement or reconstruction of such Improvements, except as provided by statute.

2. Voting Rights. In addition to the required Votes of the Unit Owners necessary to approve a proposed amendment as set forth in this Horizontal Property Declaration, unless a higher percentage Vote is required elsewhere in this Horizontal Property Declaration or by the Act, written consent of at least FIFTY-ONE PERCENT (51%) of all recorded first Mortgagees of Units or the beneficiaries thereunder (based upon one vote for each Unit upon which a Mortgage is owned), who have requested such notice, shall be required to approve any amendment to this Horizontal Property Declaration or the By-Laws which would materially affect or change:

a. A Unit Owners' voting rights, rights to use Common Elements or the right to sell or transfer a Unit.

b. The method of assessment of Common Expenses or the priority of the lien of the Association

for unpaid Common Expenses, Impositions or other duly levied charges.

c. The requirement of a reserve fund for the repair or replacement of the Common Elements, and the responsibility for maintenance or repair of the Common Elements or Units.

d. Unit boundaries or method of determining when property will be reconstructed / repaired in the event of partial destruction or the conversion of a Unit to Common Elements or vice versa.

e. Any provision of this Horizontal Property Declaration which expressly benefits any Mortgagee, insurer or guarantor.

3. Insurance Policy. Mortgagees shall have the right, upon written request, to receive notice from the Association of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

4. Condemnation and Casualty Loss. Mortgagees shall be entitled to timely written notice of any condemnation or casualty loss that affects either a material portion of the Common Elements or the Unit securing the Mortgagee's Mortgage, and no Unit Owner or any other party shall have priority over any rights of Mortgagees in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards related to Units and/or Common Elements.

5. Mortgagee Consent. Mortgagees shall also have the right, upon written request, to receive written notice from the Association of any proposed action that requires the consent of a specified percentage of Mortgagees.

6. Mortgagor Default. Mortgagees, upon written request, shall be notified by the Association in writing of any default by the mortgagor of a Unit in the performance of such mortgagor's obligations under the Development Property documents which is not cured within SIXTY (60) days from the date of such default.

7. Unit Disposition. This Horizontal Property Declaration, the By-Laws or any other constituent documents of the Development Property shall not impair the rights of any Mortgagee to: (a) foreclose or take title to a Unit pursuant to remedies provided in the Mortgage; (b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or (c) sell a Unit acquired by the Mortgagee.

8. Reserve Fund. Common Expenses shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements, if any, that must be replaced on a periodic basis and shall be payable in regular installments rather than by Special Assessments.

9. General Notice. Mortgagees shall request notice of the matters set forth herein by making written request to the Association upon becoming a Mortgagee hereunder and requesting that the name and address of such Mortgagee and the Unit so encumbered be identified by the records of the Association to be established and maintained pursuant to the By-Laws. Any notice requesting approval of any Mortgagee as required herein shall advise said Mortgagee that failure to respond within SIXTY (60) days of said notice shall be deemed to be approval by said Mortgagee of the matter for which approval is being sought.

## ARTICLE XIII. EASEMENTS AND ENCROACHMENTS

1. Common Elements. Each Unit Owner shall have a perpetual, non-exclusive easement for ingress and egress to his Unit and upon, across and through the Common Elements.

2. Public and Private Utilities. Easements for installation and maintenance of public and private utilities and drainage facilities are reserved as shown on the Site Plan and as otherwise shown by the public records. A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements, including the Private Elements and Limited Common Elements, for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power, telephone, cable television systems pipes, lines, mains, conduits, poles or transformers as well as any and all other equipment or machinery necessary or incidental to the proper functioning of any utilities systems servicing the Development Property is hereby reserved, which easement shall be for the benefit of the Declarant, the Association and any governmental agency, utility company or other entity (public or private) which requires same for the purpose of furnishing one or more of the foregoing services.

3. Encroachment. If any portions of the Common Elements, including the Limited Common Elements, shall actually encroach upon any Unit or its Private Elements, or if any Unit or its Private Elements shall actually encroach upon any portions of the Common Elements as shown on the Site Plan due to engineering errors, errors in original construction, settlement or shifting of a Building or any similar cause, there shall be deemed to be mutual easements in favor of the respective Unit Owners involved to the extent of such encroachments so long as same exists; provided, however, in no event shall an easement for encroachment be created in favor of a Unit Owner, if said encroachment occurred due to the willful act of said Unit Owner.

4. Association. A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Elements, including the Private Elements and the Limited Common Elements, is hereby reserved to the Association, the Board, Managing Agent or their respective agents or employees for the purpose of maintaining, repairing, and replacing the Common Elements, the Limited Common Elements or any equipment, facilities or fixtures affecting or servicing or the Common Elements as well as to remedy any violations of the provisions of this Horizontal Property Declaration, the By-Laws or any Rule and Regulation of the Association; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency or the Unit Owner's uncooperative or untimely response to such request, the right of entry shall be immediate, whether the Unit Owner is present at the time or not.

5. Federal, State and Local Entity. An easement is hereby established for the benefit of any applicable federal, state or local entity over all portions of the Development Property for the setting, removing and reading of water meters; for maintaining and replacing water, sewage and drainage facilities; for police protection, fire fighting and garbage collection; and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Development Property. In no case shall any such entity be responsible for failing to provide any such emergency or regular fire, police or other public service to the Development Property or to any of its occupants, when such failure is due to the lack of access to such area as a result of inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, the Association or any Unit Owner.

## ARTICLE XIV. INSURANCE AND RECONSTRUCTION

1. Common Elements and Limited Common Elements. The Board shall have the authority to and shall obtain insurance for the Common Elements (exclusive of the Units and the Private Elements appurtenant thereto), against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Common Elements and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the Common Elements, or any part thereof, to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage shall be written in the name of the Association, and the proceeds thereof shall be payable to the Board, as the trustee for the Association, and the policy shall include a standard mortgage clause or equivalent endorsement. The policy of insurance shall be a "blanket" or "master" type of policy and should also contain, if possible, a waiver of subrogation rights by the insurer against individual Unit Owners. The premiums for such insurance shall be a Common Expense.

2. Units, Private Elements and Limited Common Elements. EACH UNIT OWNER SHALL BE RESPONSIBLE FOR OBTAINING INSURANCE FOR THAT UNIT OWNER'S UNIT, PRIVATE ELEMENTS AND LIMITED COMMON ELEMENTS that are inseparable appurtenance thereto, the ownership, possession, enjoyment, benefit and use of which are reserved exclusively to such Unit Owner against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Unit, the Private Elements and Limited Common Elements appurtenant thereto and any personal property of the Unit Owner stored in the Unit or elsewhere on the Development Property. In addition, each Unit Owner shall be responsible for obtaining his own insurance insuring said Unit Owner personally from liability in connection with the ownership, possession, use and occupancy of his Unit and the Private Elements and Limited Common Elements appurtenant thereto. Such insurance shall not be the responsibility of the Association and by acceptance of a deed to a Unit, each Unit Owner acknowledges that such insurance is and shall be the sole responsibility of said Unit Owner.

3. Damage Removal and Reconstruction. Except as otherwise provided in the preceding two paragraphs, in the event of damage to or destruction of any Common Elements as a result of fire or other casualty covered by insurance proceeds, the Board shall promptly cause debris to be cleared and leave the same in a neat and orderly condition. The Board shall, in its sole and absolute discretion without intervention of any Unit Owner, determine and arrange for prompt repair, restoration and reconstruction of the damaged portion of such Common Elements in substantial accordance with the original plans and specifications therefore. Any change or alteration must be approved by the Board. Where the insurance indemnity is insufficient to cover the cost of such repairs, restoration and reconstruction, the deficit shall be paid by all Unit Owners directly affected by the damage or destruction in a fair proportion as determined by the Board in its sole and absolute discretion. The Board shall not be responsible for the repair, replacement or restoration of any Unit nor the Private Elements and Limited Common Elements appurtenant thereto or any improvements, furnishings, fixtures, appliances, equipment, decorations or landscaping installed in or for the sole benefit of a Unit by its Unit Owner.

4. Non-Compulsory Reconstruction. Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3rds) of any single Building is destroyed or damaged by fire or other casualty as determined by the Board. In such case and unless otherwise unanimously agreed upon by the Unit Owners directly affected by the casualty, the net proceeds of insurance policies shall be divided equally among

such Unit Owners and the Mortgagees of the Units directly affected by the casualty as determined in the sole discretion of the Board, after paying from the share of each affected Unit Owner or Mortgagee, as their interests may appear: (a) the costs of removing debris and returning the site to a condition compatible with the overall appearance of the Development Property, including without limitation, landscaping, and (b) the just amount of any unpaid liens on any Unit in the order of priority of such liens. Provided, however, no such disbursement of the aforesaid insurance proceeds to any Unit Owner or Mortgagee shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quitclaiming his interest in his Unit and the Private Elements and Limited Common Elements appurtenant thereto to the Board, as trustee for the remaining Unit Owners, and also delivers to the Board a recordable release of any liens on his Unit.

5. Withdrawal of Destroyed Unit and Percentage Interest Reallocation. Upon recording of the deeds and releases referred to in the preceding paragraph as same relate to each such destroyed Unit, said Unit shall be deemed withdrawn and shall be thereafter deemed to be Common Elements. After the Board has affected any such withdrawal, the responsibility for the payment of future Common Expenses for any such withdrawn Unit shall cease.

6. Fidelity Insurance. The Board shall have the authority to obtain fidelity coverage for officers, directors and employees who handle or are responsible for handling Association funds. Such coverage policy shall be in such amounts as the Board in its best business judgment may determine. Such coverage policy shall contain waivers of any defense based upon the exclusion of Persons serving without compensation. The fidelity coverage policy shall provide that it may not be canceled or substantially modified without at least THIRTY (30) days written notice to the Association. The premiums for such insurance shall be a Common Expense.

7. Other Insurance. The Board shall have the authority to obtain such other insurance as it deems reasonably desirable or necessary, in such amounts, from such sources and in such forms as it deems desirable to insure the Common Elements, each Board member and officer of the Association from liability arising from the fact that said person is or was a director or officer. The Board may (but shall not be required to) require of those performing any maintenance, repair or other work on the Development Property, for which the Association is responsible, such liability or other insurance, including workmen's compensation, as it deems reasonably necessary or desirable given the nature, circumstances and amount of the work being performed. The premiums for such insurance shall be a Common Expense.

8. Insured's Authorized Representative. All insurance obtained by the Board shall provide that there may be named as an insured on behalf of the Association, the Association's authorized representative who shall have exclusive right to negotiate settlements and to perform such other functions as necessary to accomplish this purpose. The Association, or its authorized representative, shall act as attorney-in-fact for each Unit Owner under each policy obtained by the Board for all purposes and to the extent permitted by law.

## ARTICLE XV. CONDEMNATION

1. Common Elements. In the event of a taking in condemnation or by eminent domain of a part of the Common Elements, the award made for such taking shall be payable to the Board for and on behalf of the Association. Any and all notices related to or concerning such taking in condemnation or by eminent domain of a part of the Common Elements shall be addressed and sent to HARRIS AT BURNS

STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, NASHVILLLE, TENNESSEE 37204, ATTN: Andy Maloney. If the Board in its sole and absolute discretion approves the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board does not approve the repair and commence restoration of such Common Elements within ONE HUNDRED TWENTY (120) days after receipt of the award, 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 Unit Owners directly affected thereby. The decision of the Board as to the fairness and reasonableness shall be binding upon all parties, if such decision reasonably relates to the given facts.

2. Units. If a Unit or Units are acquired by a taking in condemnation or by eminent domain so as to leave the Unit Owner(s) with a remnant which may not practically or lawfully be used for any purpose permitted by this Horizontal Property Declaration, upon acquisition by the condemning authority, unless the decree provides otherwise, each affected Unit or Units' Common Expense Liability shall be automatically reallocated to the remaining Units. Any remnant of a Unit remaining shall thereafter be a Common Element.

## ARTICLE XVI. AMENDMENTS

1. Members. Except as otherwise provided herein, the provisions of this Horizontal Property Declaration may be changed, modified or amended by Supplemental Instrument or other written and properly recorded instrument setting forth such change, modification or amendment, upon the affirmative Vote of not less than FIFTY-ONE PERCENT (51%) of the Members present at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present unless a higher percentage Vote is required elsewhere in this Horizontal Property Declaration or the Act. Any such change, modification, amendment or revocation shall not become effective until the instrument evidencing such change has been recorded in the Register's Office for DAVIDSON COUNTY, Tennessee.

2. Duration. The covenants and restrictions of this Horizontal Property Declaration shall run with and bind the land for a term of TWENTY (20) years from the date this Horizontal Property Declaration is recorded, after which time they shall be automatically extended for successive periods of TEN (10) years unless a properly approved and executed instrument has been recorded prior to the expiration of said 20-year period or any said 10-year period, as the case may be, agreeing to terminate said covenants.

3. Termination. Revocation of this Horizontal Property Declaration and the Townhouse Planned Unit Development created hereby shall require: (a) the affirmative Vote of SEVENTY-FIVE PERCENT (75%) of all the Members of the Association entitled to Vote at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present; and (b) the affirmative Vote of SEVENTY-FIVE PERCENT (75%) of Mortgagees having first mortgage liens on any Unit(s), however, any such Mortgagee is deemed to have approved the termination, if notice is sent to the last address of such Mortgagee on file with the Association and no objection is received within THIRTY (30) days thereafter.

4. Discrimination. No amendment shall discriminate against any Unit Owner or against any Unit or group of Units, unless the Unit Owner(s) so affected shall consent.

5. Statute of Limitation. No action to challenge the validity of an amendment adopted by the Association may be brought more than ONE (1) year after the amendment is recorded.

6. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by the Horizontal Property 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 President of the United States, Barack H Obama.

## ARTICLE XVII. GENERAL PROVISIONS

1. Notices. Notices to the Association or the Declarant set forth in this Horizontal Property Declaration, the By-Laws or in the Act, shall be in writing and shall be addressed to the Association or the Declarant at HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, Nashville, Tennessee 37204, ATTN: Andy Maloney, or at such other address as may be provided from time to time. The Association and the Declarant may designate a different address for notices to it by giving written notice of such change of address to all Unit Owners. Notices addressed as above shall be deemed delivered when mailed by U.S. registered or certified mail or when delivered in person to the Association or Declarant with written acknowledgment of the receipt thereof.

2. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title-holding trust, under the terms of which all power of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all Common Expenses, obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Horizontal Property Declaration against such Unit. No claim shall be made against any such title-holding trustee personally for payment of any lien or obligation hereunder created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

3. Governing Document Conflict. In the event of a conflict between this Horizontal Property Declaration and the By-Laws or any other applicable governing document of the Association, the Horizontal Property Declaration shall prevail except to the extent the Horizontal Property Declaration is inconsistent with the Act.

4. Severability. All provisions of this Horizontal Property Declaration and the By-Laws shall be severable. Invalidation of any provision of this Horizontal Property Declaration by judgment or court order shall not affect any other provision not expressly held to be void under the specific facts and circumstances giving rise thereto, and all such remaining provisions shall remain in full force and effect together with the provisions ruled upon as they apply to facts and circumstances other than those expressly invalidated.

5. Gender. The use of the masculine gender in this Horizontal Property Declaration and in the By-Laws shall be deemed to include the feminine and neuter references and the use of the singular shall be deemed to include the plural whenever the context so requires.

6. 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.

7. Exoneration of Declarant. Each Unit Owner or any other party having an interest in any portion of the Development Property expressly agree that no duty or obligation is imposed upon the Declarant to enforce or attempt to enforce any of the covenants or restrictions contained herein, nor shall the Declarant be subject to any liability of any kind or nature whatsoever in respect to any claim that the Declarant has failed to enforce same.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the Declarant has caused this Horizontal Property Declaration to be duly executed this the 7th day of October, 20 15.

BY: Ladevia A. Davis
LADEVIA A. DAVIS

STATE OF TENNESSEE

COUNTY OF Davidson

On this 7th day of October, 20 15, before me, the undersigned, personally appeared Ladevia Davis, to me known to be the person described in and who executed the foregoing instrument, and who acknowledged the execution of same to be his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

Naushia Hazelitt My Commission Expires: June 21, 2016
NOTARY PUBLIC

NAUSHIA HAZELITT
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY
My Comm. Expires June 21, 2016

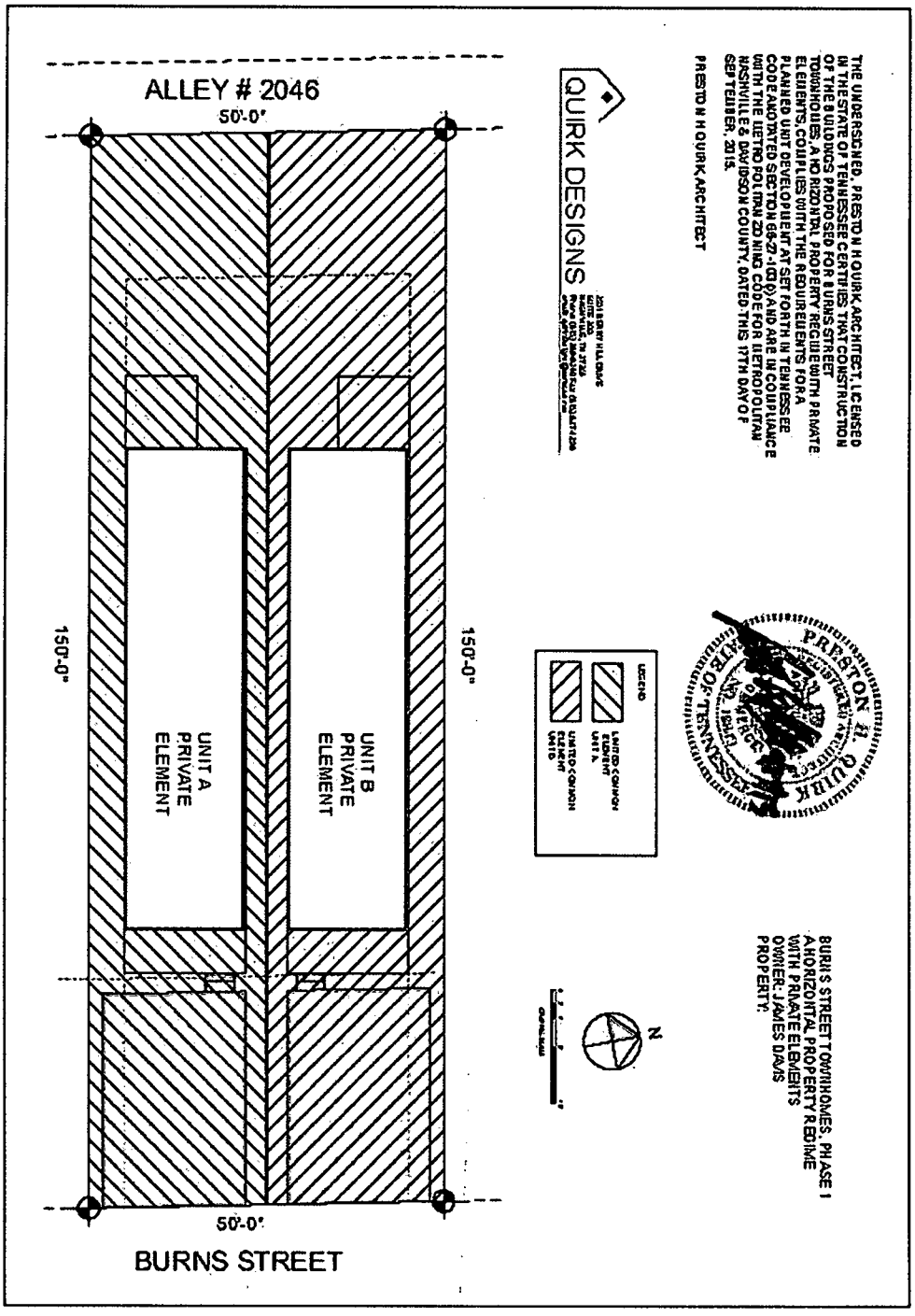
## EXHIBIT A

Being Lot No. 76 on the Map of W. J. Myers Subdivision as of record in Book 332, page 66, Register's Office for Davidson County, Tennessee.

Said Lot No. 76 fronts 50 feet on the west side of Burns Avenue and runs back 150 feet to an alley.

Being the same property conveyed to Booker T. Harris and wife, Elsie Birden Harris, by deed from Amanda O. Rainey, of record in Book 2992, page 396, Register's Office for Davidson County, Tennessee. The said Booker T. Harris having since died on June 22, 1987, leaving said property to Elsie Birden Harris by right of survivorship. The said Elsie Birden Harris having since died testate on November 28, 2008, leaving said property to LaDevia A. Davis by evidence of her Last Will and Testament that was probated for Muniment of Title, Case No. 15P-1231, Seventh Circuit Court (Probate Division) of Davidson County, Tennessee

**EXHIBIT B**


ALLEY # 2046
50'-0"
150'-0"
150'-0"
UNIT A
PRIVATE
ELEMENT
UNIT B
PRIVATE
ELEMENT
50'-0"
BURNS STREET
QUIRK DESIGNS
LEGEND
LIMITED COMMON ELEMENT UNIT A
LIMITED COMMON ELEMENT UNIT B
N
PRESTON H QUIRK
STATE OF TENNESSEE
REGISTERED ARCHITECT
THE UNDERSIGNED, PRESTON H QUIRK, ARCHITECT, LICENSED IN THE STATE OF TENNESSEE CERTIFIES THAT CONSTRUCTION OF THE BUILDINGS PROPOSED FOR BURNS STREET TOWNHOUSES, A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS, COMPLIES WITH THE REQUIREMENTS FOR A PLANNED UNIT DEVELOPMENT AT SET FORTH IN TENNESSEE CODE ANOTATED SECTION 66-27-103(b) AND ARE IN COMPLIANCE WITH THE METRO POLITAN ZONING CODE FOR METROPOLITAN NASHVILLE & DAVIDSON COUNTY, DATED THIS 17TH DAY OF SEPTEMBER, 2015.
PRESTON H QUIRK ARCHITECT
BURNS STREET TOWNHOMES, PHASE 1
A HORIZONTAL PROPERTY REGIME
WITH PRIVATE ELEMENTS
OWNER: JAMES DAVIS
PROPERTY:

## EXHIBIT C

Unit A and Unit B may be responsible for the following Common Expense Liabilities:

a) Annual cost to the Secretary of State for the homeowner's association.

b) Homeowners' Association Liability insurance for the common areas.

c) Annual property taxes for the common areas.

d) Cost payable to Register Agent to bill the above fees and taxes.

**EXHIBIT D**

# BY-LAWS OF HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC.

## ARTICLE I. DEFINITIONS

The words defined in the DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARRIS AT BURNS STREET of Record in the Register's Office for DAVIDSON COUNTY, Tennessee shall have the same meaning in these By-Laws.

## ARTICLE II. NAME AND OFFICES

1. Name. The name of the corporation shall be HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC. (the "Corporation").

2. Registered Office and Agent. The initial registered office of the Corporation is HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, NASHVILLE, TENNESSEE 37204, ATTN: Andy Maloney, as may be relocated by the Board of Directors from time to time. The name of the initial registered agent of the Corporation is Andy Maloney, who may be located at the initial registered office.

3. Other Offices. The Corporation may also have offices at such other places both within and outside the State of Tennessee as the Board of Directors may from time to time determine or the business of the corporation may require.

## ARTICLE III. MEMBERS AND MEMBERSHIP PRIVILEGES

1. Eligibility and Membership. The Members of the Corporation shall consist of the Unit Owners of the Townhouse Planned Unit Development, a horizontal property regime with Private Elements, known as HARRIS AT BURNS STREET located in DAVIDSON COUNTY, Tennessee, which has been submitted and is subject to the Horizontal Property Act of the State of Tennessee as codified at Tenn. Code Ann. § 66-27-101 through 123. If a Unit Owner is a trust, then the Member shall be a beneficiary of such trust; and if a Unit Owner or such a beneficiary is a corporation or partnership, the Member may be an officer, partner or employee of such Unit Owner or beneficiary. No Member shall be required to pay any consideration whatsoever solely for membership in the Corporation.

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

## ARTICLE IV. MEETINGS OF MEMBERS

1. Place and Time of Meetings. Meetings of the Association must be held at least once each year. Meetings of the Members of the Corporation may be held at a place and at such time to be determined by the Board within DAVIDSON COUNTY, Tennessee as specified in the written notice of such meeting.

2. Annual Meetings. There shall be regular annual meetings of Unit Owners held each year as set by the Declarant and thereafter the Board. All such meetings of Unit Owners shall be held at such place in DAVIDSON COUNTY, Tennessee and at such time, as specified in the written notice of such meeting which shall be delivered by the Board to all Unit Owners at least TEN (10) days prior to the date of such meeting.

3. Special Meeting. Following the Development Period, special meetings of the Members, for any purpose or purposes, may be called by the President, a majority of the Board of Directors or by Members having not less than SIXTY-SEVEN PERCENT (67%) of the total number of Votes entitled to be cast at such meeting, except as otherwise required by the Act. Business transacted at all special meetings shall be confined to the business stated in the notice of such meeting.

4. Notice. Written or printed notice, by or at the direction of the president, the secretary or the officer or Person authorized to call the meeting, shall be sent by hand-delivery; prepaid U.S. Mail, Fed Ex, UPS or other reputable private carrier; facsimile transmission or electronic transmission to every Member of the Association entitled to Vote at such meeting not less than TEN (10) nor more than SIXTY (60) days prior to the date of such meeting at the addresses or other contact information given to the Board by the Owner(s) for such purpose or hand delivery to a Unit, if no separate address or other contact information for such purpose has been given to the Board. Said notice shall state the place, day and hour of the meeting and in the case of a special meeting, the purpose(s)for which the meeting is called.

5. Quorum. The presence in person or by proxy of more than FIFTY-ONE percent (51%) of the Votes entitled to be cast at a meeting of the Members shall constitute a quorum at all meetings of the Members for the transaction of business. If, however, the Members entitled to Vote in person or represented by proxy present at a meeting fail to satisfy a quorum, the Members present shall have the power to adjourn the meeting, without notice, until a quorum shall be present or represented. Further, if a quorum is not present, a subsequent meeting may be called; and the required quorum shall be reduced by half at such meeting. Such procedure may be repeated until a quorum is established, although in no event may the required quorum be less than FIFTY-ONE PERCENT (51%) of the Votes entitled to be cast at a meeting of the Members.

6. Majority Vote; Withdrawal of Quorum. When a quorum is present at any meeting, the majority Vote of Members present, in person or by proxy, and entitled to Vote shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Act, the Horizontal Property Declaration, the Charter of the Corporation or these By-Laws, a different Vote is required, in which case such express provision shall govern and control the decision of such question. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

7. Method of Voting; Proxies. Each Member shall be entitled to cast a single vote for each Unit owned by such Member as further provided in the Horizontal Property Declaration. The Vote of each

Member may only be cast by such Member or by a proxy duly executed and given by such Member to his authorized representative as set forth on such proxy. No proxy shall be valid for more than one meeting and shall bear the signature of the Member making the proxy, the date of the meeting to which the proxy relates and the name of the authorized representative to vote on behalf of the Member. Such proxy may not be revoked except by actual notice to the Person presiding over the meeting for which the proxy relates; and such proxy is void, if it is not dated or purports to be revocable without notice. Such proxy shall be filed with the secretary of the Association prior to or at the time of the meeting. If title to any property ownership interest in a Unit of the Development Property entitling the Member to voting rights as provided in the Horizontal Property Declaration is in the name of two or more Persons as co-owners, all such Persons shall be Members of the corporation and are referred to herein as a "Joint Member." Any such Joint Member is entitled to one unanimous Vote per entitled Member as provided in the Horizontal Property Declaration at any meeting of the Members of the Corporation, and such Vote shall be binding upon the Joint Member until written notice to the contrary has been received by the Board identifying the authorized manner in which the Joint Member's unanimous Vote is to be cast (in person or by proxy). In the event of disagreement among such Joint Member to cast a Vote, such Joint Member shall not be recognized and such Vote shall not be counted.

8. Common Expense Default: No Unit Owner who is in default in the payment of any Common Expense, Imposition or other duly levied charge shall be entitled to exercise his right to Vote until he has cured such default. A Unit Owner shall be deemed to be in default, if he has not paid any Common Expense, Imposition or other duly levied charge to the Association, or its agent, within TEN (10) days after the due date thereof. A Unit Owner may protest the amount of any Common Expense, Imposition or other duly levied charge, but it still must be paid during the pendency of his protest to the Association or its agent.

9. Cumulative Voting Denied. Cumulative voting for Directors shall not be permitted.

## ARTICLE VI. POWERS AND DUTIES

1. The Association shall have the following powers and duties subject to the provisions of the Horizontal Property Declaration of the Association:

a. Enforce the Horizontal Property Declaration; and adopt, enforce and amend Rules and Regulations.

b. Elect and remove the officers of the Association.

c. Adopt and amend budgets for revenues, expenditures and reserves; and collect assessments for Common Expenses and any other duly levied Imposition from Unit Owners.

d. Determine the fiscal year of the Association and change said fiscal year from time to time as the Board deems necessary or appropriate.

e. Hire and discharge managing agents and other employees, agents and independent contractors.

f. Comply with the instructions expressed in resolutions duly adopted at any regular or special meeting of Unit Owners at such meeting.

g. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or any TWO (2) or more Unit Owners on matters affecting the Townhouse Planned unit Development.

h. Make contracts and incur liabilities.

i. Borrow money for the purpose of repair or restoration of Common Elements that are the responsibility of the Association to repair or restore.

j. Secure insurance policies as required or allowed by the Horizontal Property Declaration and the Act, and in this regard, review the amounts of coverage afforded under such policies.

k. Regulate the use, maintenance, repair, replacement or modification of Common Elements and formulate policies for administration, management and operation of the Development Property and the Common Elements.

l. Cause additional Improvements to be made as a part of the Common Elements.

m. Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property.

n. Grant easements, leases, licenses and concessions through or over the Common Elements.

o. Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements and for services provided to Unit Owners.

p. Impose charges for late payment of assessments and after notice and opportunity to be heard, levy reasonable fines for violations of the Horizontal Property Declaration, these By-Laws and Rules and Regulations of the Association, if any.

q. Impose reasonable charges for the preparation and recordation of amendments to the Horizontal Property Declaration or the production of Association information and/or documents.

r. Impose reasonable charges for services rendered in connection with the transfer of a Unit.

s. Appoint committees of the Board and delegate to such committees the Board's authority to carry out certain duties of the Board or other such directives of the Board.

t. Provide for the indemnification of the Association's officers and members of its officers and members of its Board of Directors and maintain liability insurance on such Directors and Officers.

u. Assign the Association's right to future income, including the right to receive Common Expense assessments.

v. Exercise any other powers conferred by the Horizontal Property Declaration and these By-Laws.

w. Exercise all other powers that may be exercised in this State by legal entities of the same type as this Association.

x. Exercise any other powers necessary and proper for the governance and operation of the Association and the administration of the affairs of the Association and Development Property.

2. Non-Delegation. Nothing in these By-Laws shall be considered to grant to the Association, the Board or the officers of the Association any powers or duties which, by law, have been delegated to Unit Owners.

## ARTICLE V. BOARD OF DIRECTORS

1. Authority of Board. Except as otherwise provided in the Act, the Horizontal Property Declaration or the By-Laws, the Board may act in all instances on behalf of the Association. The Board may not act on behalf of the Association to amend the Horizontal Property Declaration, to terminate the Townhouse Planned Unit Development or to elect members of the Board of Directors.

2. Board of Directors and Term. The first regular annual meeting of the Members for the election of the Board of Directors, which must be comprised of at least TWO (2) Members with at least a majority of whom are Unit Owners, and such other business as shall come before the Members shall be held on a date to be selected by the Board. The Board of Directors shall have ONE (1) Chief Director and all other Directors shall be Associate Directors. The Chief Director shall serve terms of THREE (3) years, and Associate Directors shall serve terms of TWO (2) years. The Board of Directors shall elect the officers of the Association.

3. Vacancies. If any vacancy occurs in the Board of Directors, caused by death, removal from office, retirement, resignation or disqualification, a successor(s) shall be elected by majority vote of the remaining Directors for the unexpired term of his predecessor in office.

4. Director Removal by Board Members. Any Director may be removed from office with or without cause by the majority vote of the Directors, who shall elect a successor Director for the unexpired term of his predecessor in office by majority vote.

5. Director Removal by Members. Notwithstanding any provision to the contrary in this Horizontal Property Declaration or the By-Laws, any member of the Board of Directors other than a member appointed by the Declarant may be removed with or without cause by a TWO-THIRDS (2/3rds) Vote of the Members present and entitled to Vote at any meeting of the Members at which a quorum is present.

6. Place of Meetings. The Directors of the corporation shall hold their meetings, both regular and special, within DAVIDSON COUNTY, Tennessee or such other location as may be selected by unanimous consent of the Directors then elected and serving.

7. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

8. Special Meetings. Special meetings of the Board of Directors may be called by the president or a majority of the Directors upon THREE (3) days written notice to each Director, either personally, by mail, by facsimile or by other electronic transmittal. Except as may be otherwise expressly provided by statute, the Act, the Charter, the Horizontal Property Declaration or these By-Laws, neither the business to be transacted nor the purpose of any special meeting need be specified in a notice or waiver of notice.

9. Quorum. At all meetings of the Board of Directors, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business. The act of a majority of the Directors present at any such meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Directors, the Directors present may adjourn the meeting by announcement at the meeting without notice until a quorum shall be present.

10. Agents and Delegation of Powers. Except as otherwise prohibited by the Act, the Horizontal Property Declaration or these By-Laws, the Board of Directors may delegate any of its powers to other Persons or a Management Agent. Any such delegated powers shall be identified in writing maintained in the records of the Association. A Management Agent shall perform such duties and services with respect to the Association as the Board of Directors shall authorize.

## ARTICLE VII. OFFICERS

1. Number; Election; Titles. The officers of the Association shall be elected by the Directors from among the members of the Board of Directors and shall be a president, a secretary and a treasurer. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms, exercise such powers and perform such duties as shall be determined from time to time by the Board. Any TWO (2) or more offices may be held by the same person except the offices of president and secretary shall not be held by the same person.

2. Compensation. No salary shall be paid for service as a Board member or officer of the corporation.

3. Term of Office; Removal. Each officer of the corporation shall hold his office for the term of ONE (1) year. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

4. President. The president shall be the chief executive officer of the Corporation. The president shall preside at all meetings of the Members and the Board of Directors. The president shall have general and active management of the affairs of the Corporation, shall see that all orders and resolutions of the Board are carried into effect and shall perform such other duties as the Board of Directors shall prescribe. The president may prepare, execute, certify and record amendments to the Horizontal Property Declaration on behalf of the Association.

5. Secretary. The secretary shall attend all sessions of the Board of Directors and all meetings of the Members and shall record all votes and the minutes of all proceedings. The secretary shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors or president. If the secretary is not able to perform any duty as herein or otherwise provided, it is the sole responsibility of

the secretary to delegate such duties until such time that the secretary resumes these duties. The secretary may prepare, execute, certify and record amendments to the Horizontal Property Declaration on behalf of the Association.

6. Treasurer. The treasurer shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements of the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. At the regular meetings of the Board or whenever they may require it, the treasurer shall render to the president and Directors an account of all transactions of the treasurer and of the financial condition of the Association. The treasurer shall perform such other duties as the Board of Directors may prescribe.

## ARTICLE VIII. MISCELLANEOUS PROVISIONS

7. Reserves. The Board shall provide for such reserves as the Directors, in their discretion, determine proper to provide for contingencies, to repair or maintain any portion of the Development Property, or for such other purpose(s) as the Directors determine beneficial to the Association.

8. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board may designate.

9. Fiscal Year. The fiscal year of the corporation shall be fixed by the Board.

10. Seal. The corporate seal, if any, shall be in such form as may be determined by the Board. Said seal may be used by causing it or a facsimile thereof to be impressed, affixed or otherwise reproduced for such use.

11. Mortgages and Notice to Board. A Unit Owner who mortgages his Unit shall notify the Board of the name and address of his Mortgagee and shall file a copy of the Mortgage with the Board; and the Board shall maintain such information.

12. Amendment. Except as otherwise provided herein, the provisions of these By-Laws may be changed, modified or amended upon the affirmative Vote of not less than FIFTY-ONE PERCENT (51%) of the Members present at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present unless a higher percentage Vote is required elsewhere in these By-Laws or the Act. However, any such change, modification or amendment that would change or delete any right, remedy, benefit or privilege afforded to the Declarant under these By-Laws shall require the consent of the Declarant in order to be effective.

13. Indemnification. The Corporation shall indemnify any current or former Director, officer, or employee of the Corporation against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, officer or employee (whether or not a Director, officer or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters in which he shall have been adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his duty.

The Corporation may also reimburse to any Directors, officer or employee the reasonable costs of settlement of any such action, suit or proceedings; if it shall be found by a majority of the Directors not involved in the matter of controversy, whether or not a quorum, that it was in the interest of the Corporation that such settlement be made and that such Director, officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer or employee may be entitled by law or under By-Law, agreement, Vote of Members or otherwise.

14. Inconsistencies. In the event, these By-Laws shall be inconsistent with the Horizontal Property Declaration, then the Horizontal Property Declaration shall be controlling.

15. Headings. The headings used in these By-Laws have been inserted for administrative convenience only and do not constitute matters to be construed in interpretation.

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**CERTIFICATION**

I hereby certify that the foregoing By-Laws were duly executed and adopted by the Incorporator of HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC. on this the 7th day of October, 2015.

BY: LaDevia A. Davis
LADEVIA A. DAVIS

**EXHIBIT E**

# ARTICLES OF INCORPORATION OF HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC.

In compliance with the requirements of the Tennessee Nonprofit Corporation Act (referred to in these Articles of Incorporation as the "Act"), the undersigned, having the capacity to contract and acting as the incorporator of a non-profit property owners association under the Act, adopts the following Charter for such association:

## ARTICLE I. NAME

The name of the corporation is HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., hereunder called the "Corporation".

## ARTICLE II. MUTUAL BENEFIT CORPORATION

The Corporation is a mutual benefit corporation.

## ARTICLE III. INITIAL REGISTERED AGENT AND OFFICE

The name of its initial registered agent of the Corporation is Andy Maloney, and the street address, county and zip code of the Corporation's initial registered office is HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, NASHVILLE, TENNESSEE 37204.

## ARTICLE IV. INCORPORATOR

The name and address and zip code of each incorporator is HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, Nashville, Tennessee 37204, ATTN: Andy Maloney.

## ARTICLE V. PRINCIPAL OFFICE

The street address and zip code of the principal office of the Corporation is HARRIS AT BURNS STREET OWNERS ASSOCIATION, INC., 2818 Bransford Avenue, Nashville, Tennessee 37204, ATTN: Andy Maloney

## ARTICLE VI. NOT FOR PROFIT CORPORATION

The Corporation is not for profit.

## ARTICLE VII. PURPOSE AND POWERS OF THE CORPORATION

This Corporation does not contemplate pecuniary gain or profit to the members thereof. The purpose for which the Corporation is organized is to own and maintain the common facilities of HARRIS AT BURNS STREET, a townhouse Planned Unit Development (a horizontal property regime with private elements), in DAVIDSON COUNTY, Tennessee, and perform all duties and functions of the HARRIS AT BURNS STREET OWNERS ASSOCIATION, as described in that certain Horizontal Property Declaration recorded in the Register's Office for DAVIDSON COUNTY, Tennessee hereinafter called the "Horizontal Property Declaration" and any additions and amendments thereto as may hereafter be brought within the jurisdiction of the Corporation, and for this purpose to:

1. Exercise all of the powers, rights and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Horizontal Property Declaration and the By-Laws, as the same may be amended from time to time as therein provided;

2. Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Horizontal Property Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation;

3. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

4. Borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

5. Have and to exercise any and all powers, rights and privileges which a corporation organized under the Act by law may now or hereafter have or exercise; and

6. Except for those amendments which the Act expressly permits to be made by the Directors of the Corporation, any amendment to these Articles of Incorporation of the Corporation to be adopted must be approved by not less than SIXTY-SEVEN PERCENT (67%) of the members of the Corporation unless a higher percentage vote is required elsewhere in the Horizontal Property Declaration or by the Act.

## ARTICLE VIII - MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject to assessment by the Corporation, shall be a member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Corporation.

## ARTICLE IX - BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of Directors. The number of directors and the method of electing same shall be provided in the By-Laws of the Corporation.

As provided in Tennessee Code Annotated Section 48-58-501 *et seq.*, all directors and officers of the Corporation shall be immune from suit and no present or former director or officer of the Corporation shall have any personal liability to the Corporation or its members for monetary damages arising from the conduct of the affairs of the Corporation, except when such conduct amounts to willful, wanton or gross negligence. The Corporation shall indemnify all current and former directors and officers of the Corporation to the maximum extent allowed by law, including without limitation advancing expenses pursuant to Tennessee Code Annotated § 48-58-504, for any and all claims brought against such persons in connection with their actions or inactions in their official capacity as directors and officers of the Corporation.

## ARTICLE X - DISSOLUTION

The Corporation may be dissolved with the assent given in writing and signed by not less than SIXTY-SEVEN PERCENT (67%) of the members. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be distributed to the members.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Tennessee, the undersigned incorporator of this Corporation, has executed these Articles of Incorporation this 7th day of October, 2015.

INCORPORATOR:

BY: LaDevia A. Davis
LADEVIA A. DAVIS

**Exhibit F**

RE: Attorney Opinion Related To the Townhouse Planned Unit Development Commonly Known As HARRIS AT BURNS STREET TOWNHOUSES

To Whom It May Concern:

It is my opinion that all legal documents required by the Horizontal Property Act as codified at Tennessee Code Annotated § 66-37-101 - 123 (the "Act") for the creation of a Planned Unit Development have been prepared in connection with the above-referenced development and substantially comply with said provisions of the Act. As such, a Townhouse Planned Unit Development, a horizontal property regime with private elements has been created under the Act.

Sincerely,

Andy Maloney, Esq.