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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

2136-2138 14TH AVENUE NORTH TOWNHOMES

A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

THIS DECLARATION is made and entered into by InvestSouth, a Tennessee limited liability company, hereinafter referred to as the "Developer".

WITNESSETH:

WHEREAS, the Developer is the record owner and holder of the legal title of a tract or parcel of real property located in Davidson County, Tennessee, and more particularly described on Exhibit A attached hereto and made a part hereof (the "Property");

WHEREAS, the Developer desires to submit the Property described on Exhibit A together with all buildings, structures, improvements, and other permanent fixtures of whatever kind thereon, and all rights and privileges belonging or in any way pertaining thereto, to the provisions of the Horizontal Property Act of the State of Tennessee as the same may be amended from time to time for the express purpose of establishing thereon a horizontal property regime with private elements to be known as 2136-2138 14TH AVENUE NORTH TOWNHOMES; and

WHEREAS, the Developer further desires to establish for its own benefit and for the mutual benefit of all future owners and/or occupants of the Property or any part thereof, certain rights, easements, and privileges in, over and upon the said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW, THEREFORE, the Developer declares as follows:

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

   a) "Act" means the Horizontal Property Act of the State of Tennessee, Tennessee Code Annotated, Sections 66-27-101, *et seq.*, as the same may be amended from time to time.

   b) "Association" means 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC., a Tennessee not-for-profit corporation.

   c) "Board" means the Board of Directors of 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC., a Tennessee not-for-profit corporation.

   d) "Building" means any building located on the Parcel and forming a part of the Property and containing the Units.

   e) "Bylaws" mean the Bylaws of the 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC. attached hereto as Exhibit C and made a part hereof, as amended from time to time. For purpose of the Act, all provisions contained in the body of this Declaration dealing with the administration and maintenance of the property shall be deemed to be part of the Bylaws.

   f) "Common Elements" shall mean all of the Property, including the Limited Common Elements, excluding the Units and Private Elements.

   g) "Limited Common Elements" shall mean those portions of the Common Elements contiguous to and serving only one (1) Unit, or a distinct group of Units, exclusively.

h) "Private Elements" shall mean and include the lot areas upon which the Units are located, as shown on the Plat. Exclusive ownership in fee simple and use of the Private Elements for each Unit is reserved to the Unit Owner of such Unit.

i) "Developer" shall refer to InvestSouth, LLC, a Tennessee limited liability company, its successors and assigns.

j) "Declaration" means this instrument, including Exhibits, as amended from time to time.

k) "Majority" or "Majority of the Unit Owners" means at least fifty-one (51%) percent of the Owners of the Units.

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

m) "Parcel" means the parcel(s) or tract(s) of real estate described on Exhibit A attached to this Declaration and submitted hereby to the provisions of the Act.

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

o) "Plat" means the Plat, plats of survey or site plans of the Parcel or Parcels submitted to the provisions of the Act showing the number of each Unit and the exterior boundary of its Private Elements and other data necessary for identification, said Plat or Plats being attached hereto as Exhibit B.

p) "Property" means all the land, property and space comprising the Parcel as defined above, and all improvements and structures erected, constructed or contained therein or thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures, and equipment intended for the mutual use, benefit or enjoyment of Unit Owners.

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

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

s) "Unit" shall mean a portion of the Property as shown on the Plat and described as Private Elements, including improvements now and hereafter located thereon. The Units are identified by a letter or number (or combination thereof) on the Plat.

t) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit, its respective Private Elements, Limited Common Elements, and of the undivided interest in the Association appurtenant thereto, and shall be deemed the same as "co-owner" under the Act. Unless specifically provided otherwise herein, Developer shall be deemed a Unit Owner so long as it is the legal title holder of any unit.

2. **Submission of Property to the Act.** The Developer does hereby submit and subject the Parcel and the Property to the provisions of the Horizontal Property Act of the State of Tennessee as amended from time to time and does hereby establish a Horizontal Property Regime to be known as 2136-2138 14TH AVENUE NORTH TOWNHOMES.

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

4. **Units.** For purposes of this Declaration, the term "Unit" shall equate to the same meaning as the term "apartment" in the Horizontal Property Act. The legal description of each Unit shall consist of the indentifying letter or number (or combination thereof) of each Unit as shown on the Plat. Any Unit may be jointly or commonly owned in any state recognized under applicable law. Every legal description in a deed, lease, mortgage, deed of trust, or other instrument describing a Unit by its description on the Plat shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plat, court decree or otherwise,

subdivide or in any other manner cause a Unit to be separated into tracts or parcels different from the whole Unit as shown on the Plat.

5. **Association and Management of the Property.**

a) Association of Unit Owners and Administration and Operation of the Property. There has been formed an Association having the name 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC., a Tennessee not-for-profit corporation, which Association shall be the governing body for all Unit Owners, and shall be operated to provide guidelines for the maintenance, repair, replacement, administration, and operation of the property, as provided in the Act, this Declaration and the Bylaws. The Unit Owners shall be members of the Association, with each Unit holding an undivided membership interest appurtenant to a Unit being in an equal share, subject to the provisions concerning voting hereinafter set forth. The Bylaws for the Association shall be the Bylaws attached to this Declaration as Exhibit C and made a part hereof. Except as otherwise provided herein, the Board of Directors of the Association shall be elected and serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and any funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners, in accordance with the provisions of this Declaration and Bylaws. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be divided among the respective Unit Owners with one (1) vote granted to each Unit (except that the Developer shall have three (3) votes per Unit as provided below).

b) Voting Membership.

Class A. Class A members shall be all Unit Owners, with the exception of the Developer, and shall be entitled to one (1) vote for each Unit owned. When more than one person holds any interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Unit.

Class B. The Class B member shall be the Developer and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall cease upon the earlier of: (i) the date when 100% of the Units have been transferred to others, or (ii) three (3) years after the date the first Unit is transferred to a Unit Owner who is not affiliated with the Developer; or earlier if the Developer so determines, in its sole discretion (hereinafter referred to as the "Developer Control Period").

(c) Management of the Property. The Board shall have the authority to engage the services of an agent (the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (d) below. The Managing Agent shall be required to maintain fidelity bond coverage on its employees handling Association funds. The cost of said services shall be a Common Expense, which may be assessed directly by the Association as part of a recurring general assessment, or assessed and collected on behalf of the Association, indirectly, by the Managing Agent, in the form of transfer fees if approved by the Board.

(d) Initial Management Contract. The management agreement between the Developer (on behalf of the Association) and a Managing Agent for the Property may not exceed three (3) years.

(e) Board During Developer Control Period. Notwithstanding anything to the contrary herein or in the Bylaws, during the Developer Control Period, the Board will have only one (1) Director, who shall be appointed by the Developer.

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

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

7. **Ownership of the Common Elements and the Association.** Ownership of the Common Elements shall be vested in the Association. Subject to the provisions concerning voting rights herein above contained, each Unit is hereby allocated an equal percentage of ownership in the Association and respective interest in the Common Elements, as set forth on Exhibit D. The percentage of ownership shall remain equal unless hereafter changed by recorded amendment to the Declaration consented to in writing by the Unit Owners affected by such change. Said ownership interest shall be an undivided interest, which shall be owned by the Unit Owners as tenants in common with each other. The ownership of a Unit shall not be conveyed separate from the undivided ownership in the Association appurtenant to such Unit. The undivided interest in Association appurtenant to any Unit shall be deemed conveyed or encumbered with the Unit, even though the legal description in the instrument conveying or encumbering such unit may refer only to the description of the Unit.

8. **Use of the Common Elements.** Each Unit Owner or Occupant shall have the right to use the Common Elements, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the Unit and for such other purposes incidental to use of the Unit. Such right to use the Common Elements shall extend to guests, agents, servants, tenants, family members, customers, invitees, and licenses. Such rights to use the Common Elements, including Limited Common Elements, shall be subject to and governed by this Declaration, Bylaws and Rules and Regulations of the Association. The Association shall have authority to lease or grant other rights or easements to parts of the Common Elements, subject to this Declaration and Bylaws. All income derived by the Association from such leases, grants or easements upon Common Elements shall be held and used for the benefit of the Association. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with.

9. **Common Expenses.**

   a) Common Expenses and Enforcement. Except as specifically provided otherwise herein, each Unit Owner shall be responsible for paying his equal proportionate share of the expenses of the administration and operation of the Association, the Common Elements and of any other expenses incurred for the mutual benefit of the Unit Owners as approved by the Board pursuant to this Declaration and Bylaws (which expenses are herein sometimes referred to as "Common Expenses"), which shall be assessed and become due in such amounts, including late fees and interest, if any, as determined by the Board. There shall exist a lien in favor of the Association and against each Unit and Unit Owner for accrued, unpaid assessments. No Unit Owner shall be exempt from assessments by waiver or nonuse of enjoyment of the Common or Limited Common Elements or by abandonment of his Unit. Each Unit Owner shall be personally liable for assessments accrued during ownership of a Unit, and shall remain personally liable for such assessments even after he is not the owner of the Unit; however, said personal obligation shall not pass to successors in title unless assumed by them or as required by Tennessee Code Annotated, Section 66-27-101, et seq, provided that, the lien for accrued, unpaid assessments against a Unit as above described shall not be affected by transfer of a Unit.

      The Developer shall not be required to expend from its own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Elements, and no Unit owned by the Developer shall be assessed for Common Expenses, or otherwise, until such time as construction of such Unit is completed and the Unit is occupied by a tenant of Developer or is transferred by the Developer to a Unit Owner who is not affiliated with the Developer. This paragraph may not be modified or amended without the unanimous written consent of all Unit Owners.

   b) Mortgage and Deed of Trust Protection. The lien against a Unit for Common Expenses shall be subordinate to the lien of a recorded first mortgage or deed of trust on the interest of such Unit Owner, except for the amount of the proportionate share of Common Expenses which become due and payable from and after the date on which the mortgagee or beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its mortgage or deed of trust. This subparagraph shall not be amended, changed, modified, or rescinded without the prior written consent of all mortgagees of record.

10. **Mortgages and Deeds of Trust.** Each Unit Owner shall have the right, subject to the provisions herein, to mortgage his Unit together with his appurtenant interest in the Association. No Unit Owner shall have the right or authority to grant a mortgage, deed of trust or other lien on the Property or any part thereof, except his own Unit and appurtenant interest in the Association.

11. **Separate Real Estate Taxes.** Real estate taxes shall be separately taxed to each Unit Owner for his Unit. In the event that such taxes for any year are not separately taxed to each Unit Owner, but rather are taxed on the Property as a whole or a portion thereof, then the Unit Owners shall pay equal shares in proportion to the number of Units encumbered by the total tax obligation, and, in said event, such taxes shall be deemed a common expense.

12. **Insurance, Damage and Reconstruction.** The Board may obtain insurance against loss or damage to the Property and the Common Elements, exclusive of the Units, by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions, and against such other hazards and for such amounts as the Board may deem advisable. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board, as the Trustee for the Unit Owners in proportion to their interest in the Common Elements, as set forth in this Declaration, and for the holders of mortgages on the Units, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against the Unit Owners. The premiums for such insurance shall be a common expense, allocable as provided in this Declaration or in the Bylaws; further, premiums for such insurance may be separately billed equally to Unit Owners.

In the event of damage to or destruction of any of the Buildings or Common Elements as a result of fire or other casualty covered by insurance proceeds (unless more than two-thirds (2/3) of all Buildings require reconstruction), the Board shall, in its sole and absolute discretion, and without intervention of any Unit Owner, arrange for the prompt repair and restoration of the damage substantially in accordance with the original plans and specification therefor. If the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid in equal shares by all Unit Owners whose Units are in a Building that is affected by the damage, which may be assessed by the Association in the form of a special assessment. In the event of damage to or destruction of any Private Elements or Limited Common Elements, the Board shall not be responsible for repair, replacement or restoration thereof, except to the extent of insurance covering the damage. The responsibility for such damage is that of the affected Unit Owner or Unit Owners.

The Board may also obtain comprehensive public liability insurance, in such amounts as it deems desirable, and workmen's compensation insurance and other liability insurance in such amounts as it deems desirable, insuring each Unit Owner, mortgagee of record, the Association, its officers, directors, and employees, Developer, and the Managing Agent, if any, from liability in connection with the Property. The premiums for such insurance shall be Common Expenses; however, premiums for such insurance may be separately billed equally to Unit Owners.

The Board may also obtain fidelity coverage covering officers, directors and employees who handle or are responsible for handling Association funds. Such bonds shall be in such amounts as the Board may determine, but in no event less than one hundred fifty percent (150%) of the monthly operating expenses of the Association, and shall contain waivers of any defense based upon the exclusion of persons serving without compensation.

The Board may also obtain such other insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Property and each member of the Board and officer of the Association, and each member of any committee appointed pursuant to the Bylaws of the Association, from liability arising from the fact that said person is or was a director or officer of the Association, or a member of such a committee.

Each Unit Owner shall maintain hazard insurance which includes liability coverage on his Unit, the contents of his Unit and Private Elements, and the Limited Common Elements serving his Unit, as well as additions and improvements thereto, and those parts of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner, and for decorations, furnishings, and personal property therein, and personal property stored elsewhere on the Property, if any. **Upon request by the Association, each Unit Owner shall name the Association as an additional insured on his insurance policy.**

13. **Maintenance, Repairs, Replacements and Easements.** Except as otherwise provided herein, each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within and to the exterior of his Unit and its Private Elements and/or Limited

Common Elements. Maintenance of, repairs to and replacements within the Common Elements, excluding Limited Common Elements, shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of the Common Expenses, subject the terms hereof, the Bylaws, and Rules and Regulations of the Association. The expenses for the maintenance, repair, or replacement of a Unit's water heater, furnace, air conditioner, heating and air conditioning ducts, and plumbing and electrical wiring and other items including, but not limited to the Limited Common Elements, serving only such Unit, shall be borne by the Unit Owner or Unit Owners of the Unit or Units to which such Limited Common Elements are appurtenant. The Association shall direct the responsible Unit Owner or Unit Owners to pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanic's or materialmen's liens or claims. Should a Unit Owner fail or refuse to maintain, repair and/or replace the exterior of the Unit, its Private Elements and/or its Limited Common Elements, as directed by the Board, the Board may cause said maintenance of, repairs to and/or replacements be made, and exercise remedies set forth herein.

If, a Unit Owner, or his agent, servant, tenant, family member, invitee, licensee, or household pet, causes damage to a Unit, its Private Elements and/or its Limited Common Elements, then the Unit Owner(s) affected thereby or the Association may require the Unit Owner to pay for such damage or such maintenance, repairs and replacements occasioned thereby, and exercise remedies set forth herein.

A joint and mutual easement hereby exists for the benefit and burden of all Unit Owners for any installation, maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines, running through or around any Common Elements and/or any Unit's Private Elements and/or Limited Common Elements, if applicable. An easement exists for ingress and egress and maintenance in favor of any public utility providing utility services to the Units and to each Unit Owner if necessary to maintain their unit by accessing the other Unit's Private Elements. Reasonable notice to access the adjoining Unit's Private Elements shall be given to the affected Unit Owner unless access is required due to emergency circumstances.

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

14. **Alterations, Additions or Improvements.** Except as provided herein, no alteration of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize alterations, additions, and improvements of the Common Elements as provided in the Bylaws. Any Unit Owner may make alterations, additions or improvements within his Unit without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions and improvements.

15. **Decorating.** Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his Unit and Limited Common Elements serving his Unit, as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting, and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces 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, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the Rules and Regulations of the Association, but each Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. All window glass, doors and screens of a Unit shall be cleaned and washed, and any damage thereto repaired, at the expense of the Unit Owner of the Unit.

16. **Encroachments.** If any portion of the Common Elements shall actually encroach upon any Unit or its Private Elements, or if any Unit or its Private Elements or Limited Common Elements shall actually encroach upon any portions of the Common Elements, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments, so long as the same shall exist.

17. **Use and Occupancy Restrictions.** Subject to the provisions of the Bylaws, no part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed and as allowed by zoning laws. Each Unit shall be used as one single family residence or such other use permitted by this Declaration, and for no other purpose, except that professional and quasi-professional people may use their residence (not in violation of municipal zoning laws) as an ancillary or secondary facility to an office established elsewhere. The foregoing restrictions shall not, however, be constructed in such manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restrictions. No Unit may be offered or rented for temporary accommodations; however, nothing in this Section shall prohibit Unit Owners from leasing their Units to others to be used as a residence.

18. **Remedies.** In the event of any violation of the provisions of the Act, this Declaration, Bylaws, or Rules and Regulations of the Association by any Unit Owner (either by his own conduct or by the conduct of any Occupant of his Unit), the Association shall have all of the rights and remedies which may be provided for in the Act, this Declaration, Bylaws, or said Rules and Regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or others for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as provided herein, or for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for any combination of remedies, or for any other relief. All expenses in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the maximum rate permitted by law, until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the Common Expenses. In the event of any such default by a Unit Owner, the Association shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. The Association, and/or any Unit Owner who elects to pay sums owed by a defaulting Unit Owner, hereinafter referred to as the "Paying Unit Owner," shall have a lien against the Unit and defaulting Unit Owner for all sums paid on behalf of the defaulting Unit Owner; provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit, as set forth herein. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board on behalf of the Association. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgage and deed of trust liens against the Units.

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

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

court shall enjoin and restrain the said defaulting Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall be first paid to discharge court costs, court reporter charges, reasonable attorney's fees, and all other expenses of the proceeding and sale, and all such items shall be taxes against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, or any liens, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Declaration.

19. **Amendments.** The provisions of this Declaration may be amended by an instrument in writing, setting forth such amendment, signed by sixty-seven (67%) percent of the Unit Owners; provided, however, that all mortgagees of record have been notified by certified mail of such amendment, and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument.

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

    Notwithstanding the above, the Association shall have the right to make and record any necessary amendment to this instrument for the express purpose of completion of development or correction of clerical errors, or as may be required to obtain FHA/VA, FNMA, FHLMC or other desired approval for the horizontal property regime.

20. **Perpetuities and Restraints on Alienation.** If any of the options, privileges, covenants, or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the Governor of Tennessee holding office as of the date of this Declaration.

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

    All present and future Unit Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the Bylaws appended hereto and recorded herewith, pursuant to Tennessee Code Annotated, Section 66-27-111, as they may be amended from time to time. The acceptances of a deed of conveyance, devise, or lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Bylaws, and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Unit Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

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

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

extent of damage to the Common Elements caused by the condemnation or eminent domain, the Board shall arrange for the repair and restoration of such Common Elements, applying the proceeds of such award to the cost of such repair and restoration. Otherwise, within one hundred twenty (120) days after its receipt of the award, the Board shall allocate and disburse the net proceeds of such award to the Unit Owners or first mortgagees on the basis of each Unit Owner's percentage of interest in the Common Elements.

23. **Rights Reserved to the Association**. A Unit Owner's right of enjoyment in the Common Elements shall be subject to:

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

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

    c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Unit Owners entitled to vote thereon; and

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

24. **Rights of Developer. Notwithstanding anything to the contrary contained in this Declaration, subject to applicable laws and regulations, during the Developer Control Period:**
    (a) Developer, Developer's agents, employees and contractors, are entitled to rent, lease and/or use one or more unsold Units as a model or sales office, and conduct customary promotion and sales activities inside and around the Units, and on the Common Elements, including events, and maintain customary signs in connection therewith.
    (b) Developer may establish, relocate, expand, modify, reduce, enlarge or extend roadways, driveways, parking areas, right-of-ways, walkways and easements for utilities, drainage and retention.
    (c) Developer may amend the Plat and this Declaration in order to add, delete or alter the boundaries between Units, subject to written approval of the Unit Owners whose boundaries are altered, to re-characterize certain Common Elements as Limited Common Elements or Private Elements, or to add real estate to the Property or add Units and/or Common Elements, upon thirty (30) days advance written notice to affected Unit Owners and mortgagees.
    (d) Developer may amend this Declaration and/or Bylaws without joinder of any Unit Owner or mortgagee, so long as such amendment is reasonably deemed mutually beneficial to all Unit Owners, except as otherwise provided herein.

25. **Rights of First Mortgagees.** Notwithstanding anything to the contrary contained in this Declaration the rights of mortgagees are as follows:

    a) A first mortgagee of a Unit is entitled upon request to written notification by the Association of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Declaration, which is not cured within sixty (60) days.

    b) Any first mortgagee, or other transferee, of a Unit who acquires a Unit pursuant to the remedies provided in the mortgage, or deed of trust, or by foreclosure of the mortgage or deed of trust, or by deed in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder acquires the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

    c) Except as otherwise provided herein, without consent of a first mortgagee, the Association shall not be entitled to:

        i) Change the percentage interest in the Association appurtenant to a Unit, and corresponding obligations or rights of the Unit Owner for assessments or charges or distributions of insurance proceeds or condemnation awards, or

ii) Use insurance proceeds allocated to a Unit for loss or loss of appurtenant Limited Common Elements, other than the repair, replacement or reconstruction of such Unit or appurtenant Limited Common Elements, except as provided by T.C.A. Section 66-27-118 in case of substantial loss.

d) First mortgagees shall have the right to examine the books and records of the Association.

e) A set forth in T.C.A., Section 66-27-120, all taxes, assessments, and charges which may become liens prior to the first mortgage under the laws of the State of Tennessee shall relate only to the Unit and not to the Property as a whole.

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

g) Any agreement for professional management of the Property may be terminated on ninety (90) days' written notice, and shall not be of a duration in excess of three (3) years.

h) A first mortgagee of any Unit is entitled upon request to written notification by the Association of any loss to or the taking of Common Elements if such loss or taking exceeds Fifty Thousand Dollars ($50,000.00).

i) In addition to all of the rights granted to a first mortgagee herein, any first mortgagee shall have all of the rights granted to an institutional first mortgagee under its deed of trust, and under the laws of the State of Tennessee.

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

27. **Notices.** Notices provided for in Act, Declaration or Bylaws shall be in writing and shall be addressed to the Association or any Unit Owner, as the case may be, at 3712 WOODMONT LANE TOWNHOMES HOMEOWNERS ASSOCIATION, INC., **3825 Bedford Avenue, Suite 102, Nashville, TN 37215** or at such other address as hereinafter provided. The Association may designate a different address or addresses for notices to it by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or courier with confirmation of delivery, or when delivered in person with written acknowledgement of receipt.

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

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

30. **Gender**. The use of the masculine gender in this Declaration and in the Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural whenever the context so required.

31. **Attorney's Certificate.** The attorney's opinion as required under the terms of the TCA, Section 66-27-103 is attached hereto as Exhibit E and made a part hereof.

[Next Page is Signature Page.]

IN WITNESS WHEREOF, the Developer has executed this Declaration on this 17th day of November, 2016.

Developer:

GRANTOR:

InvestSouth, LLC

11/17/16

By: Jason Lenard

Its: Member

11/17/16

By: Brandon Knox

Its: Member

STATE OF TENNESSEE)

) **CORPORATE**

) **ACKNOWLEDGEMENT**

COUNTY OF Davidson)

Personally appeared before me, a Notary Public of said County and State, Jason Lenard and Brandon Knox, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), who, upon oath, acknowledged himself/herself to be Members of InvestSouth, LLC, a Tennessee limited liability company, the within named grantor, and that he/she, being authorized to do so, executed the within instrument for the purposes therein contained by signing his/her name on behalf of the company.

Witness my hand, at office, this the 17 day of November, 2016.

Notary Public

RYAN A. RAFOTH
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY

My Commission Expires: 5.25.20

20161643C

EXHIBIT A

PROPERTY DESCRIPTION

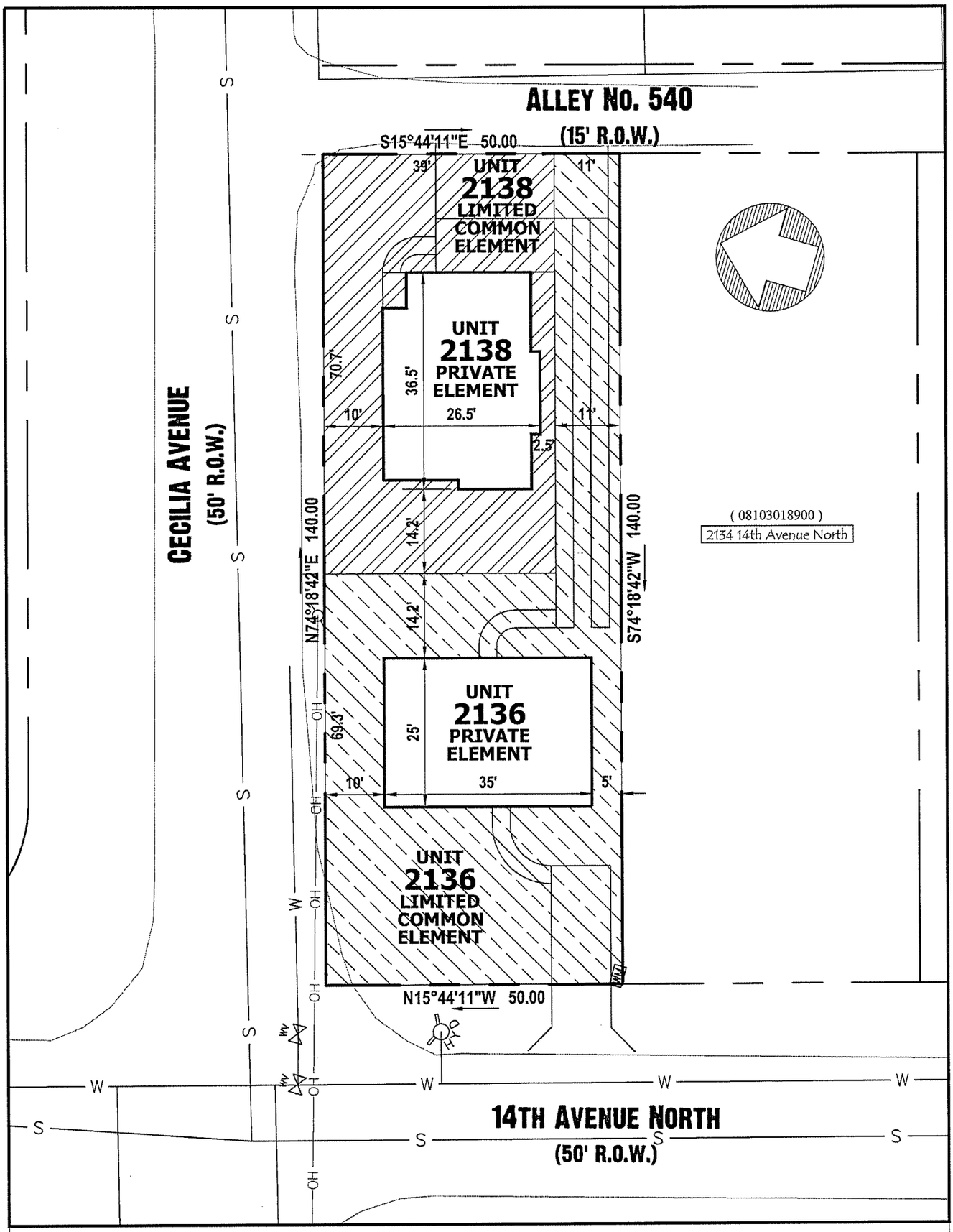
Being Lot No. 19 on the Plan of Buena Vista, of record in Book 57, pages 26 and 27, Register's Office for Davidson County, Tennessee.

Said Lot No. 19 fronts 50 feet on the Easterly side of 14th Avenue, North, formerly Nance Street, and runs back between parallel lines, along the Southerly margin of Spring Street, 140 feet to an alley.

Being the same property conveyed to InvestSouth, LLC, a Tennessee limited liability company, by Quitclaim Deed from Superior Development, LLC, a Tennessee limited liability company, of record in Instrument No. 20161121-0122904, Register's Office for Davidson County, Tennessee, dated November 17, 2016.

EXHIBIT B

PLAT



THIS SURVEY WAS DONE UNDER THE AUTHORITY OF TCA 62-18-126 AND IS NOT A "GENERAL PROPERTY SURVEY" AS DEFINED UNDER RULE 0820-3-07. THE INFORMATION SHOWN ON THIS EXHIBIT WAS DERIVED FROM RECORDED DEEDS, PLATS, AND FIELD MEASUREMENTS. SAID PROPERTY IS SUBJECT TO ANY FINDINGS OF AN ACCURATE TITLE SEARCH. NO TITLE WORK WAS FURNISHED TO THE SURVEYOR PRIOR TO THIS EXHIBIT. THIS EXHIBIT IS NOT INTENDED TO BE A BOUNDARY SURVEY OF THE PROPERTY SHOWN HEREON.

CLINT T. ELLIOTT
REGISTERED LAND SURVEYOR
11-11-2016
TENNESSEE NO. 2347

GRAPHIC SCALE (IN FEET)
20 0 10 20 40
1 inch = 20 ft.

EXHIBIT 'B' - Units 2136 & 2138
14TH AVENUE NORTH
NASHVILLE, TENNESSEE 37208

Zoning: R6 | Metro Parcel ID: (08103018800) | DATE: 11-11-16

CLINT T. ELLIOTT
REGISTERED LAND SURVEYOR
7930 Hwy 70 South, Nashville Tn, 37221
p| (615) 533-2054
e| clintelliott@comcast.net

EXHIBIT C

Bylaws Of

2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Members (Unit Owners)

Section 1. **Eligibility.** The members of 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC., a Tennessee not-for-profit corporation, shall consist of the Unit Owners of the property known as 2136-2138 14TH AVENUE NORTH TOWNHOMES located in Nashville, Davidson Country, Tennessee (the "Property"). If a Unit Owner is a trust, then the member shall be a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, the member may be an officer, partner or employee of such Unit Owner or beneficiary.

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

Section 3. **Regular Meetings.** The first regular meeting of the Unit Owners (the "First Meeting") may be held, subject to the terms hereof on any date, at the option of the Board. A regular meeting of Unit Owners shall be held once annually at such place in Davidson County, Tennessee, and at such time as specified in the written notice of such meeting which shall be delivered to all Unit Owners at least ten (10) days prior to the date of the meeting by the Board.

Section 4. **Special Meetings.** Special meetings of the Unit Owners may be called by a majority of the Unit Owners or the Board. Special meetings shall be called by delivering written notice to all Unit Owners not less than ten (10) days prior to the date of the meeting, starting the date, time and place of the special meeting and the matters to be considered.

Section 5. **Delivery of Notice of Meetings.** Notices of meeting shall be delivered either personally or by mail or other carrier to Unit Owners at the addresses given to the Board by Unit Owners for such purpose, or to a Unit Owner's Unit if no separate address for such purpose has been given to the Board.

Section 6. **Voting.** Each Unit shall have one (1) vote. If any Unit Owner consists of more than one (1) person, the voting rights of such Unit Owner shall not be divided, but shall be exercised as if the Unit Owner consisted of only one (1) person in accordance with the proxy or other designation made by the persons constituting such Unit Owner. No Unit Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote until he has cured such default.

Section 7. **Quorum.** A quorum of Unit Owners for any meeting shall be the Unit Owners holding a majority of the votes entitled to be cast at such meeting, being represented in person or by proxy.

ARTICLE II

Board of Directors

Section 1. **Number, Election and Term of Office.** The Board of Directors of the Association (referred to in the Horizontal Property Act of the State of Tennessee as the "board of administrators" and sometimes referred to herein as the "Board") **shall consist of two (2) members** (hereinafter referred to as "Directors") who shall be elected by a vote of the Unit Owners and hold office for a **term of three (3) years**, except as otherwise provided herein.

Section 2. **Qualifications.** Any Unit Owner or spouse of a Unit Owner is qualified to be a Director. Should any Unit Owner Director or non-Unit Owner Director's spouse transfer title to his or her Unit, the transferor's position as Director will terminate and his place on the Board shall be deemed vacant.

Section 3. **Vacancies.** Any vacancy occurring in the Board shall be filled by a vote of the Unit Owners, or appointed by the remaining Directors if a meeting of the Association's members is held in which a quorum is not present. Any Director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the Director whom he succeeds.

Section 4. **Meetings.** A regular annual meeting of the Board shall be held following the regular annual meeting of Unit Owners. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours' notice in writing to each Director. Any Director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Director's attendance at a meeting shall constitute his waiver of notice of said meeting.

Section 5. **Removal.** Any Director may be removed from office with or without cause by the vote of a majority of the Unit Owners held at a meeting in which a quorum is present or represented by proxy.

Section 6. **Compensation.** Directors shall receive no compensation for their services as Directors, unless expressly provided for in resolutions duly adopted by Unit Owners.

Section 7. **Quorum.** A simple majority of Directors entitled to vote on a matter shall constitute a quorum.

Section 8. **Powers and Duties.** The Board shall have the following powers and duties:

a) To elect and remove the officers of the Association;

b) To administer the affairs of the Association and the Property;

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

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

e) To adopt Rules and Regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such Rules and Regulations from time to time and to establish reasonable financial assessments for infractions thereof;

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

g) To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management, and operation of the Property and the Common Elements, and to delegate any such powers to the Managing Agent (and any such employees or other personnel who may be the employees of a Managing Agent);

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

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

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

k) To borrow money for the purpose of repair or restoration of Common Elements without the approval of the members of the Association;

l) To secure insurance policies as required by the Declaration, and in this regard, annually to review the amounts of coverage afforded by such policies;

m) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of Unit Owners as expressed in resolutions duly adopted at any annual or special meeting of Unit Owners;

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

o) To exercise all other powers and duties of Unit Owners as a group referred to in the Horizontal Property Act of the State of Tennessee or in the Declaration or these Bylaws.

Section 9. Power to Take Any Action. Whenever in these Bylaws the Association is given the power to take any action, it is the intention of these Bylaws that the Board shall act for the Association in all cases, except and to the extent that it is expressly provided that action be taken upon vote of the Unit Owners.

Section 10. Non-Delegation. Nothing in these Bylaws shall be considered to grant to the Board, the Association, or to the officers of the Association, any powers or duties which, by law, have been delegated to Unit Owners.

ARTICLE III

Officers

Section 1. Designation. At each regular annual meeting of the Board, the Directors present at such meeting may elect the following officers of the Association by a majority vote:

a) A President, who shall be a Director, who shall preside over meetings of the Board and of Unit Owners, and who shall be the chief executive officer of the Association;

b) A Secretary/Treasurer, who shall keep the minutes of all meetings of the Board and of Unit Owners, financial records, and who shall, in general, perform all the duties incident to the office of Secretary/Treasurer; and

c) Such additional officers as the Board shall see fit to elect.

Section 2. Powers. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

Section 3. Terms of Office. Each officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified.

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the Directors thereof at a special meeting of said Board. Any officer so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be

removed with or without cause at any time by vote of two-thirds (2/3) of the total membership of the Board at a special meeting thereof.

Section 5. **Compensation.** The officers shall receive no compensation for their services as officers, unless expressly provided for in a resolution duly adopted by the Unit Owners.

ARTICLE IV

Assessments

Section 1. **Annual Budget.** The Board shall establish an annual budget to provide for the operation of the Association and the Property and to determine corresponding assessments. Such budget shall take into account the estimated common expenses and cash requirements for the year, including but not limited to salaries, wages, payroll taxes, legal and accounting fees, working capital funds, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses, and adequate reserves for future maintenance, repairs, replacements and capital improvements.

Section 2. **Default.** If any Unit Owner shall fail or refuse to pay assessments when due, a lien, as provided in the Act and Declaration, is enforceable by the Board and/or a Paying Unit Owner. The Association, acting through the Board or its agents, and/or the Paying Unit Owner shall have the right to maintain a suit to collect accrued, unpaid assessments and to foreclose any such lien, together with interest and reasonable attorney's fees, and to exercise any and all rights and remedies as provided for in the Horizontal Property Act, the Declaration, or these Bylaws, or as otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 3. **Records and Statement of Account.** The Board shall cause to be kept detailed and accurate records in chronological order of expenditures affecting the Common Elements, specifying and itemizing the common expenses incurred.

Section 4. **Discharge of Liens.** The Board may cause the Association to discharge any mechanic's lien or other encumbrances which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Unit. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the lien and for all costs and expenses, including attorney's fees, incurred by reason of such lien.

ARTICLE V

Use and Occupancy Restrictions

Section 1. **General.** No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others. Each Unit Owner shall maintain his Unit and its Private Elements in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements.

Section 2. **Animals.** No animals shall be raised, bred, or kept in any Unit, except for dogs, household cats and small birds owned as household pets by a Unit Owner, provided that said pet is not kept for any commercial purpose, and provided that said pet shall be kept in strict accordance with the Rules and Regulations relating to household pets from time to time adopted or approved by the Board.

All dogs owned by Unit Owners and kept in a Unit shall be on leash while outside the Unit, except that any Unit Owner may keep a dog in his fenced yard. All such dogs shall be exercised by the Unit Owner at places on the Property which do not interfere with the use and enjoyment of the same by other Owners. A Unit Owner shall be responsible for all damage to Common Areas caused by said Unit

Owner's pet and the Unit Owner shall clean up after such Unit Owner's pet. No pet shall be allowed to cause noise that will or might disturb the peace and quiet of others.

Section 3. **Trash.** Trash, garbage, and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in Rules and Regulations of the Board.

Section 4. **Use by Developer.** During the period of sale by the Developer of any Units, the Developer, and the Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from said Buildings and Property as may be required for purposes of said sale of Units. While the Developer owns any of the Units and until each Unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and sales office, and may maintain customary signs in connection therewith.

Section 5. **Interior and Exterior Storage.** No Unit shall be used for storage of material and equipment, except incident to normal residential use or construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning of any such materials is prohibited. **Personal property belonging to any Unit Owner, Occupant or guest thereof, such as baby carriages, bicycles, wagons, toys, garbage cans, laundry, or furniture, recreational vehicles, such as boats, trailers, campers, or motor homes, inoperative vehicles, tractor trailers, buses, or other large commercial vehicles, may not be kept or stored on the Common Elements or in public view on the Private Elements, except outdoor furniture and decorative items of a customary nature and appearance on a patio or deck which is a Limited Common Element, or on a Private Element. Garage doors are to remain closed except as necessary for ingress and egress.**

Section 6. **Wiring.** No Unit Owner shall overload the electrical wiring in a Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the prior written consent of the Managing Agent, given in accord with the Board's discretion.

Section 7. **Architectural Control. The exterior of each Unit shall be in maintained in strict conformity to the architectural design and scheme of the Unit as originally constructed. The exterior of the Units shall not be altered or changed in any way without written approval by the Board or Architectural Control Committee, if any, which is appointed by the Board. Further, no building, addition, fence, wall, deck, patio, canopy or awning may be constructed on any Private Elements, or permit applied for, unless: (i) the plan of construction showing the nature and location of improvements, and exterior elevations, and (ii) the type of exterior material and roof material, including the color of paint or stain to be applied to any exterior surfaces and the color of the roof material (including delivery of samples thereof), shall have been approved in writing by the Board or Architectural Control Committee, if any, which is appointed by the Board.** No structure of a temporary character shall be permitted on the Property at any time, except with the prior written consent of the Board; provided, however, that temporary structures may be erected for use in connection with the construction, repair or rebuilding of the Buildings or any portion thereof as permitted by the Board.

Section 8. **Patios and Fencing.** Except as otherwise provided herein, all patios, decks and fencing shall be maintained by the Unit Owner whose Unit said improvements are appurtenant to, or in the case of improvements appurtenant to multiple Units, the Unit Owners whose Units the improvements are appurtenant to, in equal proportions.

Section 9. **Landscaping and Exterior Lighting.** Except as otherwise provided herein, landscaping in closer proximity to a Unit than any other Unit shall be maintained by the Unit Owner whose Unit is closer, and shall be trimmed, weeded and mulched as necessary in order to maintain appropriate curb appeal for this type of development. In the event a Unit Owner does not maintain the landscaped area the Board shall have the right to maintain the same and charge the applicable Unit Owner for said maintenance. Outside lights at eaves and door entrances shall be permitted, but no exterior flashing or high-intensity lights, floodlights, or spotlights on the exterior of any building shall be permitted, except with the prior written approval of the Board or Architectural Control Committee.

Section 10. **Exterior Fixtures and Signs**. All fixtures on or around the exterior of a Unit, including playground and recreational equipment, central air conditioning system units, television antennae and satellite dishes, must be on the side or to the rear of the Unit and may not be affixed to any portion of the Common Elements. No window or wall type air conditioning units shall be permitted on any Unit. Satellite dishes must be one (1) meter or less in diameter. No sign or advertisement shall be erected, displayed or exposed to view, except "For Sale" or "For Lease" signs of such size, character, number and duration that is reasonable and customary, without the prior written permission of the Board or the the Managing Agent. So long as the Developer owns any Units, the Developer shall not require Board approval for its signage or that of any builder. The Association reserves the right to designate the type of all mailboxes.

Section 11. **Parking.** Parking shall be in the areas so designated to each Unit as prescribed herein and subject to Rules and Regulations of the Board. Any parking area not designated on the Plat as a Private Element or a Limited Common Element, may not be reserved to the exclusive use of any Unit Owner and instead shall be available for use on a first-come, first-served basis by any Unit Owner, Occupant or guests thereof, and must be used secondarily to the parking on the Private Elements of each Unit. No motor vehicles may be parked overnight on any Common Elements or in such parking area on the Common Elements. This Section shall not apply to construction vehicles of the Developer or any builder.

Section 12. **Dangerous Activities.** The pursuit of any inherently dangerous activity, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on the Property without prior written permission of the Board. No motorcycle, motorbike, motor scooter, or any other unlicensed motorized vehicle shall be permitted to be operated on the Common Elements, except licensed motorcycles may be operated on streets.

Section 13. **Further Rules and Regulations.** Unit Owners shall be subject to such further restrictions as may be contained in the Rules and Regulations of the Association concerning the use of Units and the Common Elements which may be enacted from time to time by the Board. Such Rules and Regulations shall be binding Rules and Regulations of the Association and copies of such Rules and Regulations and any amendments or additions thereto shall be furnished to all Unit Owners upon request. Each Unit Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Unit. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

ARTICLE VI

Contractual Powers

No contract or other transaction between this Association and one (1) or more of its Directors, or between the Association and any corporation, firm or association in which one (1) or more of the Directors of the Association are Directors, or are financially interested, is void or voidable because such Director or Directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

a) The fact of the common directorship or financial interest is disclosed or known to the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director or Directors; or
b) The contract or transaction is just and reasonable as to the Association at the time it is authorized or approved.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

ARTICLE VII

Amendments

These Bylaws may be amended or modified from time to time by action or approval of a majority of the Unit Owners. Such amendments shall be recorded in the Office of the Register of Deeds of Davidson County, Tennessee.

ARTICLE VIII

Indemnification

Section 1. **General.** To the extent permitted by law, the Association shall indemnify and hold harmless each of its Directors and officers, and each member of any committee appointed pursuant to these Bylaws, against all contractual and other liabilities to others arising out of contracts made by, or other acts of such Directors, officers, or committee members on behalf of Unit Owners, or arising out of their status as Directors, officers, or committee members, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative or otherwise, in which any such Director, officer or committee member may be involved by virtue of such person's being or having been such Director, officer, or committee member, provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member, or (b) any matter settled or comprised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there are not reasonable grounds for such person's being adjudged liable for gross negligence or fraud in the performance of his duties as such Director, officer or committee member.

Section 2. **Success on Merits.** To the extent that a member of the Board, or an officer of the Association, or a member of any committee appointed pursuant to these Bylaws, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

Section 3. **Advance Payment.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the persons or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article VIII.

Section 4. **Miscellaneous.** The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article; provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the Directors, officers, or members of such committees, or out of the aforesaid indemnity in favor of the Directors, officers, or members of such committees, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements. Every agreement made by the Directors, officers, or members of such committees, or by the Managing Agent on behalf of Unit Owners shall provide that the Directors, officers, members of such committees, or the Managing Agent, as the case may be, are acting only as agents for Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder

shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association, or disinterested members of the Board or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be a member of the Board, officer of the Association, or member of such committee, and shall inure to the benefit of their heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE IX

Mortgages

Section 1. **Notice to Board.** A Unit Owner who mortgages his Unit shall notify the Board of the name and address of his mortgagee, to whom the Board may give notice of the Unit Owner's default, as provided in the Declaration.

Section 2. **Interest of Valid First Mortgagee.** If the first mortgagee has incorporated the terms of these Bylaws, the Declaration in its deed of trust, then said first mortgagee may at its option declare a default in its deed of trust by reason of any default hereunder, and may proceed to enforce its rights according to the terms of the deed of trust notwithstanding any enforcement instituted by the Board.

ARTICLE X

Definition of Terms

The terms used in these Bylaws, to the extent they are defined therein, shall have the same meaning as set forth in the Declaration for 2136-2138 14TH AVENUE NORTH TOWNHOMES, of record in the Office of the Register of Deeds for Davidson County, Tennessee.

The term "member", as used in these Bylaws, means "Unit Owner" as defined in the Declaration.

ARTICLE XI

Conflicts

These Bylaws are set forth to comply with the requirements of Chapter 27 of Title 66, Tennessee Code Annotated, as it may be amended from time to time, and to allow the Bylaws to control in specific situations where such law allows. In the event any of the Bylaws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

EXHIBIT D

Unit Number	Percentage of Ownership in the Association and Interest in the Common Elements
2136	1/2
2138	1/2

EXHIBIT E

ATTORNEY'S CERTIFICATE

This document is intended to serve as the attorney's opinion which is required under the terms of Tennessee Code Annotated, Section 66-27-103. The undersigned, Ryan A. Rafoth, an attorney licensed to practice law in the State of Tennessee, hereby declares that upon proper recording of this certificate and the following additional documents, all legal requirements for the creation of a Planned Unit Development under the terms of the Tennessee Horizontal Property Act, Tennessee Code Annotated, Section 66-27-103(b), have been met:

(1) Declaration of Covenants, Conditions and Restrictions for 2136-2138 14TH AVENUE NORTH TOWNHOMES, a Horizontal Property Regime with Private Elements.

(2) Bylaws of 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

(3) Plat for 2136-2138 14TH AVENUE NORTH TOWNHOMES, a Horizontal Property Regime, which plat shows private elements.

(4) Charter of 2136-2138 14TH AVENUE NORTH TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

Witness my hand this 17TH day of NOV, 2016.

WINDMILL TITLE, LLC

By: Ryan A. Rafoth

ENGINEER'S OR GENERAL CONTRACTOR'S CERTIFICATE

This document is intended to serve as the engineer's or general contractor's opinion that construction of the planned unit development as described on the plat attached hereto as Exhibit "B" will substantially comply with local building codes for planned unit developments, and will be completed in substantial conformity with the plan described on Exhibit "B" hereto.

Witness my hand this 17TH day of NOV, 2016.

Engineer or General Contractor

By: _____

SUPERIOR DEVELOPMENT, LLC 11/17/16

Its: MEMBER

License No. _____

True Copy Certification

I, Alyssa Rayne, do hereby make oath that I am a licensed attorney and/or the custodian of the electronic version of the attached document tendered for registration herewith and that this is a true and correct copy of the original document executed and authenticated according to law.

Alyssa Rayne

Signature

State of Tennessee

County of Williamson

Personally appeared before me, Ashley Ann Reiss, a notary public for this county and state, Alyssa Rayne who acknowledges that this certification of an electronic document is true and correct and whose signature I have witnessed.

Ashley Ann Reiss

Notary's Signature

My Commission Expires: 2/9/2020

Notary' Seal (if on paper)

