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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COTTAGES OF FERN AVENUE II A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

(THIS IS A PLANNED UNIT DEVELOPMENT PURSUANT TO TENNESSEE CODE ANNOTATED§ 66-27-103(b))

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made and entered into by Reginald B. Howard, an individual residing in Davidson, County, Tennessee, for convenience hereinafter referred to as the "Developer". For purposes of this Declaration, "Reginald B. Howard" is also known as "Reggie Howard".

WITNESSETH:

WHEREAS, Reginald B. Howard is the owner of certain real property located in the County of Davidson, State of Tennessee, and described on **Exhibit A** attached hereto (the "Parcel"); and

WHEREAS, the Developer intends to and does hereby submit the Parcel together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto (the "Property"), to the provisions of the Tennessee Horizontal Property Act, Tennessee Code Annotated section 66-27-101 et seq., for the express purpose of establishing thereon a horizontal property regime with private elements to be known as Cottages of Fern Avenue II; and

WHEREAS, the Developer further desires to establish said horizontal property regime with private elements for its own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof and intends that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest in the Property shall hold such interest subject to certain rights, easements, and privileges in, over, and upon the Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct, and maintenance thereof as hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspects of residence on the Property and are established for the purpose of enhancing 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 section 66-27-101 et seq.

(b) "Association" means Cottages of Fern Avenue II Homeowner's Association, Inc., a Tennessee not-for-profit corporation.

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

(d) "Building" or "Buildings" means the buildings located on the Parcel and forming part of the Property and containing the Cottages. The location of the "Building" or "Buildings" is and 'shall be delineated on the Plat.

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

(f) "Common Elements" means and includes General Common Elements and Limited Common Elements as those terms are defined herein.

(g) "Cottage" means a portion of the Property as shown and designated in the Plat for separate ownership and shall include the Private Elements and the residence and improvements now or hereafter located thereon. The Cottages are identified by number on the Plat and may be held and conveyed by reference to such number. Conveyance of a Cottage shall automatically convey the undivided membership of each Cottage Owner in the Association. Each Cottage is numbered as shown on the Plat. Any Cottage may be jointly or commonly owned in any estate recognized under applicable law. The term "Cottage" as used in this Declaration shall have the same meaning as the term "Apartment" as used in the Act.

(h) Cottage Owner" or "Cottage Owners" shall mean the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Cottage and shall be deemed the same as a "co-owner" under the Act. Unless specifically provided otherwise herein, the Developer shall be deemed a Cottage Owner so long as the Developer is the title holder of any Cottage.

(i) "Declaration" means this instrument, as amended from time to time.

(j) "Developer" means Reginald B. Howard, his heirs and assigns, provided such heirs or assigns are designated in writing by Developer as a successor or assign of the rights of Developer set forth herein.

(k) "General Common Elements" means all of the Property, except the Cottages, the Private Elements, and the Limited Common Elements.

(l) "Limited Common Elements" means any portion of the General Common Elements contiguous to and serving a single Cottage or a certain number of Cottages to the exclusion of other Cottages, as an inseparable appurtenance thereto, the enjoyment, benefit, or use of which is reserved to the lawful Occupants of such Cottage or Cottages either in this Declaration, on the Plat, or by later decision of all of the Cottage Owners. The area of the Limited Common Elements for each Cottage is as shown on the Plat.

(m) "Majority" or "Majority of the Cottage Owners" means the owners of more than fifty percent (50%) of the voting rights of the Cottage Owners.

(n) "Occupant" means a person or persons in possession of a Cottage; regardless of whether such person is a Cottage Owner.

(o) "Parcel" means the parcel or tract of real estate described on **Exhibit A** attached to this Declaration.

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

(q) "Plat" means the map or drawing of the Parcel submitted to the provisions of the Act showing the number of each Cottage, expressing its area, location, and other data necessary for identification, including, but not limited to, the area of the Private Elements upon which the Cottage is located, said Plat being attached hereto as **Exhibit B**.

(r) "Private Elements" means the lot area upon which the Cottage is located. Exclusive Ownership in fee simple and use of the Private Elements for each Cottage is reserved to such Cottage. The area of the Private Elements for each Cottage is shown on the Plat.

(s) "Property" means all the land and space comprising the Parcel, and all improvements and structures 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 the Cottage Owners submitted to the provisions of the Act.

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

2. Submission of Property to the Act. The Developer, by recording this Declaration, does hereby submit and subject the Parcel and the Property to the provisions of the Act and hereby establishes a horizontal property regime with private elements as authorized and described in the Act.

3. Plat. The Plat sets forth the numbers, areas, locations, and other data as required by the Act.

4. Cottages. The legal description of each Cottage shall consist of the identifying letter or number of such Cottage as shown on the Plat. Every deed, lease, mortgage, deed of trust,

or other instrument shall legally describe a Cottage by its identifying letter or number as shown on the Plat, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Cottage Owner shall, by deed, plat, court decree, or otherwise, subdivide, partition, or in any other manner cause such Cottage Owner's Cottage to be separated or divided into any tracts or parcels different from the whole Cottage as shown on the Plat.

5. (a) *Association of Cottage Owners and Administration and Operation of the Property.* There has been or will be formed an Association having the name of Cottages of Fern Avenue II Homeowner's Association, Inc., a Tennessee not-for-profit corporation, which Association shall be the governing body for all of the Cottage Owners and shall be operated to provide for the maintenance, repair, replacement, administration, operation, and care of the Property other than the Cottages, the Private Elements, and the Limited Common Elements, as provided in the Act, this Declaration, and Bylaws. The Cottage Owners shall each be members of the Association, with each Cottage holding an undivided membership interest in the Association which shall be appurtenant to such Cottage, each such membership interest appurtenant to a Cottage 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. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the use and benefit of Cottage Owners in accordance with the provisions of this Declaration and the Bylaws. Each Cottage Owner shall be a member of the Association so long as such Cottage Owner is a Cottage Owner. A Cottage Owner's membership shall automatically terminate when such Cottage Owner ceases to be a Cottage Owner. Upon the conveyance or transfer of a Cottage Owner's ownership interest to a new Cottage Owner, the new Cottage Owner shall automatically succeed to the former Cottage Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be divided among the respective Cottage Owners with one (1) vote granted to each Cottage. For purposes of this Declaration, the words "member" or "members" as used herein shall mean and shall refer to "Cottage Owner" or "Cottage Owners." Each Cottage Owner's respective percentage of ownership interests in the Association is set forth in **Exhibit D**.

(b) *Voting Membership.*

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

(ii) Class B. The Class B Member shall be the Developer and shall be entitled to three (3) votes for each Cottage owned. The Class B membership shall cease upon the sale of both Cottages to owner occupants.

(c) *Management of Property*. The Board shall have the authority, but shall not be required, to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer, and operate the Property or any part thereof to the extent deemed advisable by the Board. The Board may require that such Managing Agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense.

(d) *Use by Developer*. During the period of sale by the Developer, the Developer, the Developer's agents, employees, contractors, and subcontractors, and their respective agents and employees shall be entitled to access and to ingress to and to egress from the Buildings and Property as may be required for purposes of sale of the Cottages, and the Developer and its employees may maintain customary signs in connection therewith.

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

(f) Interest of Association in Common Elements. Ownership of the Common Elements shall be and hereby is vested in and transferred to the Association.

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

7. Use of the Common Elements. Except as hereinafter set forth, each Cottage Owner shall have the right to use the Common Elements (except the Private Elements and Limited Common Elements) in common with all other Cottage Owners as may be required for the purpose of access, ingress to, egress from, use, occupancy, and enjoyment of the respective Cottage owned by such Cottage Owner. Such right to use the Common Elements shall extend to each Cottage Owner, and such Cottage Owner's agents, servants, tenants, family members, customers, invitees, and licensees. However, each Cottage Owner shall have the right to the exclusive use and possession of the Private Elements and Limited Common Elements attributable to the Cottage. Such rights to use the Common Elements shall be subject to and governed by the provisions of the Act, Declaration, Bylaws, and any rules and regulations established by the Association.

8. (a) *Common Expenses*. Each Cottage Owner shall pay an equal share of any expenses of the administration and operation of the Common Elements (but not the Private Elements or Limited Common Elements) and of any other expenses incurred in conformance with this Declaration and the Bylaws (which expenses are herein sometimes referred to as "common expenses"), including, but not limited to, the maintenance and repair thereof and any

all replacements and additions hereto. Payment of common expenses, including any prepayment thereof required by any contract for a sale of a Cottage, shall be in such amounts and at such times as determined in the manner provided in the Bylaws. No Cottage Owner shall be exempt from payment of such Cottage Owner's proportionate share of the common expenses by waiver or non-use or enjoyment of the Common Elements or by abandonment of such Cottage Owner's Cottage. If any Cottage Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the maximum rate then allowed by applicable law after said common expenses become due and payable, shall constitute a lien on the interest of such Cottage Owner in the Cottage as provided in the Act. Each assessment for common expenses against a Cottage shall also be the personal obligation of the Cottage Owner at the time the assessment is due. A successor-in title to a Cottage shall not be personally obligated to pay any unpaid assessments for common expenses which have been levied against a Cottage unless such successor-in-title expressly assumes the payment of the same, provided, however, any lien encumbering a Cottage as above described shall not be affected by transfer of a Cottage.

The Developer shall not be required to expend from its own funds any sums of money for maintenance, improvements, or other expenses of the administration of the Common Elements, and no Cottage owned by the Developer shall be assessed for common expenses, or otherwise, until such time as construction of such Cottage is completed and sold by Developer.

(b) *Enforcement.* In the event any Cottage Owner fails to maintain such Cottage Owner's Cottage, the Private Elements, and Limited Common Elements attributable to such Cottage or in the event any Cottage Owner fails to pay such Cottage Owner's proportionate share of any common expense when such is due, then in any such event the Board may after ten (10) days' notice to the defaulting Cottage Owner perform such maintenance, advance and pay such sums or do any other reasonable act necessary to cure such default. The Association shall have a lien against the Cottage of the defaulting Cottage Owner securing payment of the sums expended or advanced and shall be entitled to enforce such lien by filing suit in a court of competent jurisdiction. In the event the Association is successful in such suit, it shall be entitled to recover reasonable attorney fees and costs incurred in such suit and enforcement of its rights.

(c) *Mortgage and Deed of Trust Protection.* The lien for common expenses payable by a Cottage Owner shall be subordinate to the lien of a recorded mortgage or deed of trust on the interest of such Cottage 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 Cottage encumbered thereby, accepts a conveyance of any interest therein (other than as security), or forecloses its mortgage or deed of trust. This subparagraph (c) shall not be amended, changed, modified, or rescinded without the prior written consent of all mortgagees and deed of trust beneficiaries of record.

(d) *Special Assessments.* In addition to the annual assessments for common expenses authorized above, if any, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of capital improvements upon the Common Elements, including fixtures and

personal property related thereto, provided that any such assessment 'shall have the assent of all of the votes of Cottage Owners.

9. Mortgages and Deeds-of Trust. Each Cottage Owner shall have the right, subject to the provisions herein, to mortgage such Cottage Owner's Cottage, together with its respective ownership interest in the Association. No Cottage Owner shall have the right or authority to make or create or cause to be made or created, from the date hereof, any mortgage, deed of trust, or other lien on or affecting the Property or any part thereof except only to the extent of such Cottage Owner's Cottage and the interest in the Association corresponding thereto.

10. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Cottage Owner for such Cottage Owner's Cottage, its Private Elements, and its corresponding interest in the Association as provided in the Act. In the event that such taxes for any year are not separately taxed to each Cottage Owner, but rather are taxed on the Property as a whole, then each Cottage Owner shall pay such Cottage Owner's proportionate share thereof in accordance with such Cottage Owner's respective percentage of ownership interest in the Association, and, in said event, such taxes shall be a common expense.

11. Insurance. Each Cottage Owner shall be responsible for obtaining hazard insurance which includes liability coverage on the Cottage, contents of such Cottage Owner's Cottage, Private Elements, and Limited Common Elements, as well as additions and improvements thereto, decorations, furnishings, and personal property therein, and personal property stored elsewhere on the Property.

12. Maintenance, Repairs and Replacements.

(a) *Obligations of Cottage Owners.* Each Cottage Owner, at such Cottage Owner's expense, shall be responsible for all maintenance of, repairs to, and replacements within and to such Cottage Owner's Cottage, Private Elements, and Limited Common Elements and shall pay all such expenses associated therewith. Should the Cottage Owner fail or refuse to maintain, repair, or replace, as directed by the Board, the exterior of his or her Cottage, its Private Elements, and/or within its Limited Common Elements, the Board or any other Cottage Owner may cause said maintenance, repairs, or replacements to be made or performed to the exterior of the Cottage, its Private Elements, and/or within its Limited Common Elements and may exercise remedies as set forth in this Declaration.

(b) *Obligations of Association.* The Association shall be responsible for maintenance of and repairs within any Common Elements, if any, other than Private Elements and Limited Common Elements.

(c) *Loss Attributable to Cottage Owner.* Notwithstanding the foregoing, if, due to the act or neglect of a Cottage Owner or the agent, servant, tenant, family member, invitee, licensee, or household pet thereof damage shall be caused to the Common Elements or maintenance, repair, or replacement are required that would otherwise be a common expense, then such Cottage Owner shall pay for such damage or such maintenance, repair, and

replacements, as may be determined by the Association, to the extent not covered by the Association's insurance or sufficient proceeds are not collected from the insurance carrier.

13. Decorating. Each Cottage Owner; at such Cottage Owner's expense, shall furnish and be responsible for all decorating and maintenance within such Cottage Owner's Cottage, Private Elements, and Limited Common Elements serving such Cottage.

14. Encroachments and Easements. If any portions of the Common Elements shall actually encroach upon any Cottage or its Private Elements or Limited Common Elements or-if any Cottage 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 Cottage Owners involved to the extent of such encroachments, so long as the same shall exist.

The Association shall have the right to grant permits, licenses, and easements over the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the horizontal property regime.

The Cottages and Common Elements shall have and be subject to the following easements:

1. An easement shall exist for the maintenance, repair, and replacement of any and all pipes, wires, conduits, or other utility lines running through or around either Cottage, which facilities serve more than one Cottage and are part of the Common Elements.

2. If any part of the Common Elements encroaches upon either Cottage or Limited Common Elements, an easement shall exist for the encroachment and the maintenance, repair, and replacement thereof so long as it continues.

3. An easement shall exist for any part of a roof, eave, cornice, and gutter as shall encroach over or upon either Cottage or the Common Elements as of final construction. Said easement shall also exist for the maintenance repair, and replacement of said encroaching elements.

4. Easements for Utilities and for ingress, egress, and maintenance in favor of any public utility providing public utility service to the Cottages.

5. An easement exists for the maintenance and repair of either Cottage or the Common Elements.

6. Easements for drainage for the Cottages, as initially constructed.

15. Association's Right to Purchase at a Foreclosure Sale. The Board shall have the power and authority to bid and purchase, for and on behalf of any Cottage or interest therein, at a sale pursuant to a deed of trust or mortgage foreclosure, a foreclosure of the lien for common

expenses under the Act, or an order or direction of a court, or at any other involuntary sale, upon the consent or approval of both Cottage Owners. Such consent shall set forth a maximum price which the Board or its duly authorized agent may bid and pay for said Cottage.

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

16. Use and Occupancy Restrictions. Subject to the provisions of the Bylaws, no part of the Property may be used for purposes other than private single family housing and the related common purposes for which the Property was designed and as allowed by municipal zoning laws. Each Cottage shall be used as a residence or such other use permitted by this Declaration and for no other purposes except that professionals may use their residence (not in violation of applicable zoning laws) as a home office. The foregoing restrictions shall not, however, be construed in such manner as to prohibit a Cottage Owner from: (a) maintaining a personal professional library; (b) keeping personal business or professional records or accounts; or (c) handling personal 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, provided they do not violate the above restrictions. Any Cottage lease shall be in writing, shall be structured so to maintain the integrity and property values of the Property, and shall be subject to this Declaration, as may be amended, and to the Bylaws. No Cottage shall be rented on a daily or weekly basis.

No Cottage or Common Elements or Limited Common Elements may be used in violation of the restrictions and provisions contained herein or in the Bylaws.

The use, maintenance, and operation of the Common Elements shall not be obstructed, damaged, or unreasonably interfered with by any Cottage Owner and shall be subject to any lease, concession, or easement presently in existence or entered into by the Board at some future time affecting any part or all of said Common Elements. Developer is irrevocably empowered, notwithstanding anything herein to the contrary, to sell, lease, or rent any Cottage owned by Developer to any person approved by it. Developer shall have the right to transact on the Property any business deemed necessary by Developer to consummate the sale, lease, or resale of the Cottages. As long as Developer owns a Cottage, neither Cottage Owner nor another Cottage Owner's use shall interfere with the sale of a Cottage by Developer.

The Limited Common Elements shall be maintained by the respective Cottage Owner in the same condition, repair, configuration, and layout as of the date of execution hereof.

17. Remedies. In the event of any violation of the provisions of the Act, Declaration, Bylaws, or rules and regulations of the Board or Association by any Cottage Owner (either by the Cottage Owner's own conduct or by the conduct of any other Occupant of such Cottage

Owners Cottage), the Association or its successors or assigns or the Board or its agent or the other Cottage Owner shall have each and all of the rights and remedies which may be provided for in the Act, Declaration, Bylaws, or said rules and regulations or which may be available at law or in equity and may prosecute an action or other proceeding against such defaulting Cottage Owner and/or others for enforcement of any lien and the appointment of a receiver for the Cottage and ownership interest of such Cottage Owner or for damages or injunction or specific performance or for judgment for payment of money and collection thereof or the right to sell the Cottage through judicial process as provided hereinbefore or for any combination of remedies or for any other relief. All expenses of the Board or other Cottage Owner in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the maximum rate of interest then allowed by applicable law, until paid, shall be charged to and assessed against such defaulting Cottage Owner and shall be added to and deemed part of such Cottage Owner's respective share of the common expenses, and the Board or other Cottage Owner shall have a lien for all of the same, as well as for nonpayment of the Cottage Owner's respective share of the common expenses, upon the Cottage and ownership interest in the Association of such defaulting Cottage Owner and upon all of such Cottage Owner's additions and improvements thereto and upon all of such Cottage Owner's personal property in such Cottage Owner's Cottage or located elsewhere on the Property, provided, however, that such lien shall subordinate to the lien of a recorded mortgage or deed of trust on the interest of such Cottage Owner, except for the amount of the proportionate share of said common expenses which become due and payable from and after the date on which the said mortgage or deed of trust owner or holder either takes possession of the Cottage, accepts a conveyance of any interest therein (other than as a security) or files suit to foreclose its mortgage or deed of trust. In the event of any such default by any Cottage Owner, the Board and the manager or Managing Agent, if so authorized by the Board, or the other Cottage Owner, 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 Cottage Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board or other Cottage Owner. This paragraph shall not be amended, changed, modified, or rescinded without the prior written consent of all holders of record of mortgages and deeds of trust against Cottages.

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 or other Cottage Owner the right, in addition to any other rights provided for in this Declaration, to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

If any Cottage Owner (either by such Cottage Owner's conduct or by the conduct of any other Occupant of his or her Cottage) shall violate the Act or any of the covenants or restrictions or provisions of this Declaration or the rules and regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Cottage Owner in writing from the Board or other Cottage 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 other Cottage Owner, then the Board or other Cottage Owner shall have the power to issue to said defaulting

Cottage Owner a notice in writing terminating the rights of the said defaulting Cottage Owner to continue as a Cottage Owner and to continue to occupy, use, or control such Cottage Owner's Cottage, and thereupon an action in equity may be filed by the Board or other Cottage Owner against said defaulting Cottage Owner for a decree of mandatory injunction against such defaulting Cottage Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Cottage Owner's right to occupy, use, or control the Cottage owned by him or her on account of said violation, and ordering that all the right, title, and interest of said defaulting Cottage Owner in the Property shall be sold (subject to 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 Cottage Owner from reacquiring such Cottage Owner's interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Cottage 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 Cottage Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Cottage and the Cottage Owner's corresponding percentage of ownership in the Association and to immediate possession of the Cottage 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 Cottage ownership sold subject to this Declaration.

18. Amendments. The provisions of this Declaration may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification, or rescission signed by Cottage Owners owning not less than all of the total Cottages and acknowledged, provided, however, that all lien holders of record have been notified by certified mail of such change, modification, or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument.

The change, modification, or rescission, whether accomplished under the provisions of the preceding paragraph, shall be effective upon recording of such instrument in the office of the Register of Deeds for Davidson County, Tennessee; provided, however, that no provision in this Declaration may be changed, modified, or rescinded so as to conflict with the provisions of the Act.

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

19. Notices. Notices provided for in the Act, Declaration, or Bylaws shall be in writing and shall be addressed, if to a Cottage Owner, to the address of such Cottage Owner's Cottage, and, if to the Association or Board, as the case may be, to the registered office as set forth in Charter of the Association or to such other address as may be designated by the Association or Board from time to time, or at such other address as may be hereinafter provided. The Association or Board may designate a different address or addresses for notices to them,

respectively, by giving written notice of such change of address to all Cottage Owners. Any Cottage Owner may designate a different address for notices by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

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

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

21. 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 provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the Governor of the State of Tennessee holding office as of the date of this Declaration.

22. Rights and Obligations. Each grantee of the 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 Cottage 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 the Developer, are hereby incorporated into and made a part of this Declaration by reference. All rights, benefits, and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any person having at any time an 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 Cottage Owners, tenants, and Occupants of a Cottage shall be subject to and shall comply with the provisions of the Bylaws appended hereto and recorded herewith as may be amended from time to time. The acceptance of a deed of conveyance, devise, or of a lease to a Cottage or the entering into occupancy of any Cottage shall constitute an agreement that the provisions of the said Bylaws and any rules and regulations promulgated thereunder, as amended from time to time, are assumed, accepted, and ratified by such Cottage Owner, tenant, 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 Cottage as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease thereof.

The terms and conditions of this Declaration, the Bylaws, and the rules and regulations may be incorporated by reference in and become part of the agreement between any mortgagee and any present or future Cottage Owner who enters into such an agreement with a mortgagee. When so incorporated, any default in 'the terms and conditions of this Declaration, the Bylaws, and the rules and regulations may be considered as a default by the mortgagee, 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 Cottage Owner.

23. Trustee as Cottage Owner. In the event title to any Cottage is conveyed to a land title holding trust, under the terms of which all powers of management, operation, and control of the Cottage remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Cottage 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 Cottage. No claim shall be made against any such title holder 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 Cottage and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Cottage.

24. Condemnation. 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 each Cottage Owner for such Cottage Owner's Cottage, Private Elements, and Limited Common Elements.

25. Rights Reserved. Each Cottage Owner's right of enjoyment in the property commonly owned by the Association as herein created shall be subject to:

(a) The right of the Association, as provided in its Bylaws, 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; and

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

(c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution, dedication, or transfer or determination as to the purposes or as to the conditions thereof shall be effective unless the Developer (or its successors or assigns) and all members of the Association agree to such act; 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 Cottages.

26. Provisions Relative to Mortgagee's Rights and to Federal Home Loan Mortgage Corporation and Fannie Mae Regulations. Notwithstanding anything to the contrary contained in this Declaration or in the Bylaws which are attached hereto, all terms, conditions, and regulations which are now existing or which may be amended from time to time by the Federal Home Loan Mortgage Corporation ("FHLMC") or Fannie Mae ("Fannie Mae") pertaining to projects of this nature are hereby incorporated as terms and conditions of this Declaration and the Bylaws and such shall be governing upon the Property, the Developer, and the Association, so long as such terms or conditions are not inconsistent with the laws of the State of Tennessee as found in Tennessee Code Annotated §66-27-101 et seq., as such may be amended from time to time.

Specifically, without limitation upon the foregoing, the following provisions shall be fully effective and controlling over any terms of this Declaration or the Bylaws which are in conflict. Any portions of such Declaration or Bylaws which are in conflict with this paragraph or any portion of the FHLMC and Fannie Mae regulations pertaining to planned unit developments are hereby deleted and the following rights of mortgagees are itemized as follows:

(a) A first mortgagee and any insurer or guarantor of any mortgage or deed of trust under a Cottage at such party's request is entitled to a financial statement of the Association for the preceding fiscal year.

(b) Any first mortgagee or other transferee of a Cottage who comes into possession of the Cottage pursuant to the remedies provided in the mortgage, deed of trust, foreclosure of the mortgage or deed of trust, or deed in lieu of foreclosure shall take the property free of any claims for unpaid assessments or charges against the mortgaged Cottage which accrue prior to the time such holder comes into possession of the Cottage.

(c) Unless all of the first mortgagees (based upon one (1) vote for each mortgage owned) or owners (other than the Developer) of Cottages have given their prior written approval, the Association shall not be entitled to:

(i) Change the percentage interests of ownership of all or any Cottage or Cottage Owners, except that percentage ownership of the Association may be reduced due to the addition of a phase or phases to the horizontal property regime as provided hereinabove.

(ii) Partition or subdivide any Cottage or the Common Elements.

(iii) By act or omission seek to abandon the horizontal property regime or status of the Property or encumber, sell, or transfer the Common Elements, except for the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements.

(iv) Use hazard insurance proceeds for losses to any Property (whether to individual Cottages or Common Elements) for other than the repair, replacement, or reconstruction of such improvements, except as provided in Tennessee Code Annotated §66-27-118, in case of substantial loss to the Cottages and/or Common Elements to the horizontal property regime.

(d) Cottage Owners, first mortgage holders, and insurers or guarantors of any first mortgage shall have the right to examine the books, records, current copies of the Declaration and Bylaws and rules and regulations of the Association during normal business hours and upon request.

(e) An adequate reserve fund for maintenance, repair, and replacement of Common Elements which may be replaced on a periodic basis may be established and funded as necessary upon agreement of all Cottage Owners by regular monthly payments rather than by special assessments.

(f) As set forth in Tennessee Code Annotated 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 individual Cottage and not to the horizontal property regime as a whole.

(g) No Cottage Owner or any other party shall have priority over any rights of the first mortgagees of Cottages and/or Common Elements.

(h) Any agreement for professional management of the horizontal property regime, whether it be by the Developer or its successors and assigns or any other person or entity, may be terminated upon ninety (90) days' written notice and the terms of any such contract shall so provide and shall not be of a duration in excess of three (3) years. Prior to passage of control from the Developer, the Association shall not be bound, directly or indirectly, to contracts or leases unless there is a right of termination of such upon not more than ninety (90) days' notice without penalty.

(i) Upon written request, the Association shall give to any mortgagee of a Cottage, FHLMC, Fannie Mae, or any lending institution servicing such mortgages as are acquired by FHLMC or Fannie Mae or any insurer or guarantor of a mortgage or deed of trust on a Cottage timely notice in writing of any loss to or the taking of the Common Elements if such loss or taking exceeds $10,000.00 or of any other condemnation or casualty loss that affects either a material portion of the project or the Cottage securing its mortgage, a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association, or any proposed action that requires the consent of a specified percentage of mortgagees. The Association may rely upon the information contained in the book entitled "Mortgages of Cottages" as must be established pursuant to the Bylaws for a list of mortgagees to be notified hereby.

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

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

(l) A first mortgagee of a Cottage Owner, upon written request; is entitled to written notification from the Association of any default in the performance by such Cottage Owner of any obligation under this Declaration and/or Bylaws which is not cured within sixty (60) days.

(m) The casualty and liability insurance and fidelity bond coverage required to be maintained by the Association shall meet the requirements specified in 'Fannie Mae Lending Guide, Chapter Three, Part 5, "Insurance Requirements".

27. **Legal Opinion**. The legal opinion required in Tennessee Code Annotated §66-27-103 has been issued and delivered to Developer.

{Signature page to follow}

IN WITNESS WHEREOF, the undersigned has executed this Declaration dated and effective as of the 11th day of January, 2017.

DEVELOPER

Reginald B. Howard

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Reginald B. Howard, with whom I am personally acquainted; and who acknowledged that he is the within named bargainor, and that he executed the instruments for the purposes therein contained.

WITNESS my hand, at office, this 11th day of January, 2017.

Notary Public

BETH M. WOODARD NOTARY PUBLIC AT LARGE SUMNER COUNTY, TENN.

My Commission Expires: 07-24-19

EXHIBIT A

LEGAL DESCRIPTION

Land in Davidson County, Tennessee, Being Lot No. 42, Block E, Eastview Subdivision of the Shwab property, a plan of which is of record in Book 547, Page 64, Register's Office for Davidson County, Tennessee, to which reference is hereby made for a more complete and accurate legal description.

Said Lot No. 42 fronts 50 feet on the northerly side of Eastmoreland Avenue and runs back on the East line 200 feet 3 inches, and on the West line 200 feet to a line, showing 36 feet on the rear line.

Being the same property conveyed to Reggie Howard by deed in Instrument Number 20100428-0032215, Register's Office for Davidson County, Tennessee.

This is improved property known as 17 Fern Avenue, Nashville, Tennessee 37207

OWNER:
HOWARD, REGINALD

ADDRESS: 17 FERN AVE

NASHVILLE, DAVIDSON CO, TN 37207

LOT 40&41 BLK E EAST VIEW SUB

DC-20070419 0046575

PARCEL 308 ON TAX MAP 71-14

DATE: 9-30-2016

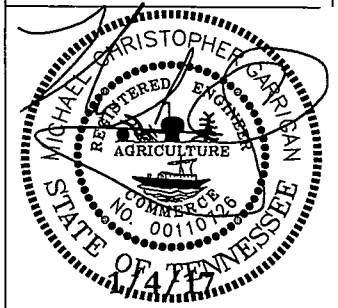
DA JOB NUMBER: 16007

THIS DRAWING SHOULD NOT BE REPRESENTED TO BE A LAND SURVEY. IT SHOULD NOT BE RELIED UPON FOR THE CONSTRUCTION OF FENCES OR ESTABLISHING THE EXACT LOCATION OF PROPERTY LINES.

NO CORNERS WERE SET OR RESET AT THE TIME OF THIS INSPECTION.

THIS SITE HAS NOT BEEN FIELD RAN BY A SURVEY CREW. BOUNDARIES ARE APPROXIMATE.

"EXHIBIT B"



1/4/17

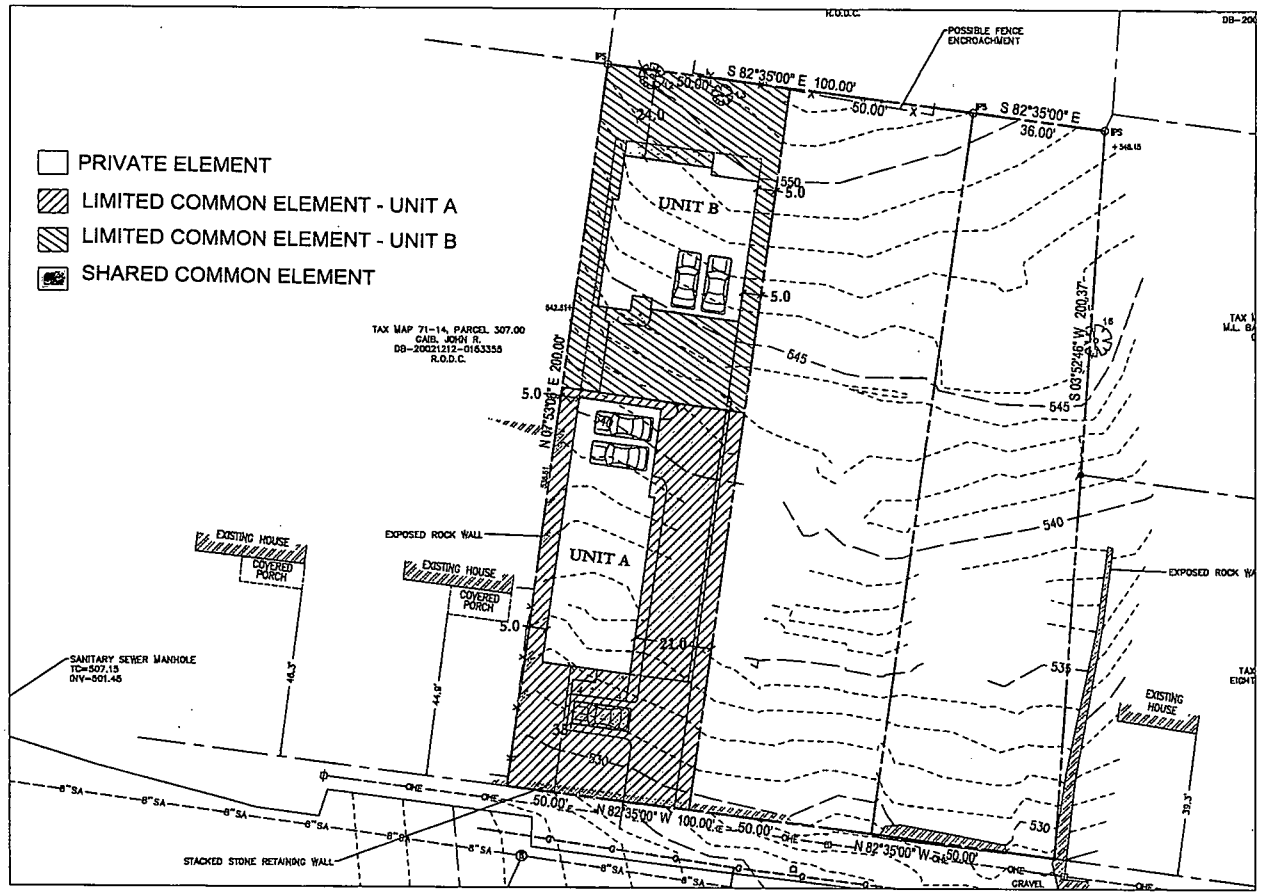
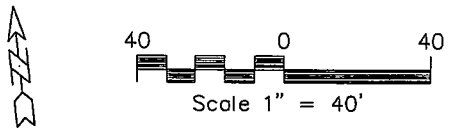


EXHIBIT B

17 FERN AVE
A HORIZONTAL PROPERTY REGIME
WITH PRIVATE ELEMENTS



Dale & Associates
Consulting Civil Engineering/Land Planning & Zoning
Landscape Architecture/Surveying
516 Heather Place Nashville, Tn 37204 (615) 297-5166

EXHIBIT C

BYLAWS

OF

Cottages of Fern Avenue II HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Members (Cottage Owners)

Section 1. Eligibility. The members of Cottages of Fern Avenue II Homeowner's Association, Inc., a Tennessee nonprofit corporation (the "Association"), shall consist of the respective Cottage Owners of Cottages of Fern Avenue II, a Horizontal Property Regime with Private Elements (the "Property"). These and other terms are used in these Bylaws as they are defined in the Declaration of Covenants, Conditions Restrictions for Cottages of Fern Avenue II, a horizontal property regime with Private Elements (the "Declaration"), which Declaration is recorded in the Register's Office for Davidson County, Tennessee. The words "member" or "members" as used in these Bylaws shall mean and refer to "Cottage Owner" or "Cottage Owners," as the case may be, as defined in the Declaration. If a Cottage Owner is a land title holding trust under the terms of which all powers of management, operation, and control of the Cottage remains vested in the trust beneficiary, then the member shall be the beneficiary of such trust.

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

Section 3. Annual Meetings. An annual meeting of Cottage Owners shall be held at the time, and place specified in the notice of such meeting, but such place shall be within five (5) miles of the Property. The annual meeting of Cottage Owners shall be held at a time established by the Board of Directors at least annually. At the annual meeting, the Cottage Owners shall elect Directors, receive reports on the activities and financial condition of the Association, and transact such other business as may properly come before the meeting.

Section 4. Special Meetings. The Association may hold a special meeting of the Cottage Owners upon the call of the Board of Directors. Any call or demand for a special meeting shall describe the purpose(s) for which the special meeting is to be held.

Section 5. Notice of Meetings. The Association shall notify its Cottage Owners of the date, time and place of each annual and special meeting of Cottage Owners no fewer than ten (10) or more than forty-five (45) days before the meeting date. The notice of a meeting shall also contain such other information which may be required by these Bylaws.

Section 6. Waiver of Notice. A Cottage Owner's attendance at a meeting:

(a) Waives objection to lack of notice or defective notice of the meeting unless the Cottage Owner at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting; and

(b) Waives objection to consideration of a particular matter at the meeting that is not within the purpose(s) described in the meeting notice, unless the Cottage Owner objects to considering the matter when it is presented.

Section 7. Voting. Members shall be all Cottage Owners and shall be entitled to one (1) vote for each Cottage owned. When more than one (1) person holds an interest in any Cottage, all such persons shall be members. The vote for such Cottage shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Cottage.

Notwithstanding the foregoing, no Cottage Owner who is in default in the payment of assessments hereunder shall be entitled to exercise the right to vote hereunder until such Cottage Owner has cured such default. A Cottage Owner shall be deemed to be in default if such Cottage Owner has not paid his or her assessments to the Board or their agent within ten (10) days after the date such assessments are due. A Cottage Owner may protest the amount of the assessment, but it still must be paid during the pendency of the protest to the Board.

Section 8. Quorum. Unless otherwise required by law, a majority of the votes entitled to be cast by Cottage Owners must be represented at any meeting of the Cottage Owners to constitute a quorum on that matter. If, however, such quorum is not represented at any such meeting, the Cottage Owners present at the meeting in person or represented by proxy shall have the power to adjourn from time to time without notice other than announcement at the meeting until the requisite quorum is present or represented, when any business may be transacted which might have been transacted at the meeting as provided in the original notice.

Section 9. Voting Requirements. Except as otherwise provided in these Bylaws, the Declaration, or the Act, action on any matter voted upon at a meeting of the Cottage Owners is approved if a majority of the Cottage Owners vote in favor of the action.

Section 10. Action by Written Consent. Action which is required or permitted to be taken at a meeting of the Cottage Owners may be taken without such a meeting if all Cottage Owners entitled to vote on the action consent to taking such action without a meeting. If all of such Cottage Owners so consent, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Cottage Owners, except as otherwise provided in these Bylaws. Such consent (or counterpart(s) thereof) shall describe the action taken, be in writing, be signed by each Cottage Owner entitled to vote on the action,

indicate each signing Cottage Owner's vote or abstention on the action, and be delivered to the Secretary of the Association and included in the minutes or Association records.

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 administration," and sometimes referred to herein as the "Board") shall consist of two (2) persons (hereinafter referred to as "Directors"). Directors shall be elected at the annual meeting of the Association's Cottage Owners by the vote of Cottage Owners as hereinafter provided, except that the Developer shall appoint the interim Board of Directors ("Interim Board") until the first meeting. At the first meeting, the Cottage Owners shall among other business elect the members of the first Board of Directors ("First Board"). Those candidates for election as director receiving the greatest number of votes cast either in person, by ballot, or by proxy at the meeting shall be elected. Directors, except for members of the First Board and Interim Board shall hold office for the term of two (2) years and until their successors shall be elected and qualified.

Section 2. Qualification. Except for those persons making up the Interim Board, each Director shall be a Cottage Owner or the spouse of a Cottage Owner (or, if a Cottage Owner is a trustee of a trust, a Director may be a beneficiary of such trust, and if a Cottage Owner or such a beneficiary is a corporation, limited liability company, partnership, or other entity, a Director may be an officer, member, partner, or employee of such Cottage Owner or beneficiary). If a Director shall cease to meet such qualifications during his or her term, such Director shall cease to be a Director and his or her place on the Board shall be deemed vacant.

Section 3. Vacancies. Any vacancy occurring in the Board shall be filled by majority vote of the remaining Directors. Any Director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Director succeeded.

Section 4. Regular Meetings. Except as otherwise provided herein, regular meetings of the Board of Directors may be held without notice at such time, and place as the Board of Directors shall determine from time to time, but no less frequently than once a year.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by the President or by any two (2) Directors.

Section 6. Notice of Meetings. Except as otherwise provided herein, regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Except as otherwise provided herein, special meetings of the Board of Directors must be preceded by at least two (2) days' notice to each Director of the date, time and place, but not the purpose, of such special meeting. Notice of any adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed one (1) month in any one (1) adjournment.

Section 7. Waiver of Notice. If a Director attends or participates in a meeting, he or she waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 8. Quorum and Voting. A quorum of the Board of Directors consists of a majority (but no fewer than two (2) of the Directors then in office before a meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors, except as otherwise provided in these Bylaws.

Section 9. Vacancy. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors or a vacancy resulting from a removal of a Director with or without cause:

(a) The Cottage Owners may fill the vacancy;

(b) The Board of Directors may fill the vacancy; or

(c) If the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all Directors remaining in office.

Any Director elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Director succeeded.

Section 10. Removal of Directors. The Cottage Owners may remove any Director, with or without cause, at any special meeting which is specifically called for that purpose.

Section 11. Action Without Meeting. Action which is required or permitted to be taken at a meeting of the Board of Directors may be taken without such a meeting if all Directors consent to taking such action without a meeting. If all Directors so consent, the affirmative vote of the number of Directors that would be necessary to authorize or take such action at a meeting shall be the act of the Board, except as otherwise provided in these Bylaws. Such consent(s) shall describe the action taken, be in writing, be signed by each Director entitled to vote, indicate each signing Director's vote or abstention on the action, and be delivered to the Secretary of the Association and included in the minutes filed with the Association's records.

Section 12. Indemnification. With respect to claims or liabilities arising out of service as a Director of the Association, the Association shall indemnify and advance expenses to each present and future Director (and his or her estate, heirs, and/or personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

Section 13. Immunity. To the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended, each present and future Director (and

his or her estate, heirs, and personal representatives) shall.be immune from suit arising from the conduct of the affairs of the Association.

Section 14. Compensation. Directors shall receive no compensation for their services as Directors, unless expressly provided for in resolutions duly adopted by the Cottage Owners.

Section 15. Powers and Duties. The Board shall have the following powers and duties:

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

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

(c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer, and operate the Property or any part thereof for all of the Cottage 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 thereof;

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

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

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

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

(i) to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable, but only as allowed by law;

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

(k) to borrow money for the purpose or repair of Common Elements;

(1) unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Cottage Owners (as said majority is defined in the Declaration), as expressed in a resolution duly adopted at any annual or special meeting of the Cottage Owners;

(m) to secure insurance policies as require by the Declaration;

(n) to resolve or mediate disputes, conflicts, or problems between Cottage Owners;

(o) when necessary, to interpret the rules and regulations of the Association and the Declaration; and

(p) to exercise all other powers and duties of a board of administration as referred to in the Horizontal Property Act of the State of Tennessee and all powers and duties of the Board of Directors referred to in the Declaration or these Bylaws.

Section 16. Non-Delegation. Nothing in this Article or elsewhere 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 the Cottage Owners.

ARTICLE III

Officers

Section 1. Designation. At each regular meeting, the Directors present at said meeting shall elect the following officers of the Association by a majority vote, provided a quorum exists:

(a) a President, who shall be a Director and who shall preside over the meetings of the Board and of the Cottage 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 the Cottage Owners and the financial records and who shall, in general, perform all the duties incident to the office of Secretary/Treasurer;

(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. Term of Office. Each officer shall hold office for the term of one (1) year and until a 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 remaining Directors at a special meeting of said Board. Any Director so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer succeeded.

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 Cottage Owners.

Section 6. Removal. The Board of Directors may remove any officer at any time with or without cause.

Section 7. Indemnification. With respect to claims or liabilities arising out of service as an officer of the Association, the Association shall indemnify and advance expenses to each present and future officer (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, as now in effect and as hereafter adopted or amended.

ARTICLE IV

Assessments

Section 1. Annual Budget. The Board may cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated common expenses and cash requirements for the year, including, but not limited to, salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses.

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Cottage Owner not later than thirty (30) days prior to the beginning of such year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Cottage Owner shall pay, as such Cottage Owner's respective monthly assessment for the common expenses, one-twelfth (1/12) of such Cottage Owner's proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Cottage Owner shall be in accordance with such Cottage Owner's respective ownership interest in the Association as set forth in the Declaration. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Cottage Owner shall continue to pay each month the amount of such Cottage Owner's respective monthly assessment as last determined. Each Cottage Owner shall pay such Cottage Owner's monthly assessment on or before the first day of each month to the Managing Agent or as may be otherwise directed by the Board. No Cottage Owner shall be relieved of the obligation to pay such Cottage Owner's assessment by abandoning or not using such Cottage Owner's Cottage, the Common Elements, or the Private Elements.

Section 3. Partial Year or Month. For the first fiscal year and thereafter until the First Board is elected, the annual budget shall be approved of the Interim Board. If such first fiscal year or

any succeeding fiscal year shall be less than a full year, then the monthly assessments for each Cottage Owner shall be proportionate to the number of months and days in such period covered by such budget. Each Cottage Owner shall pay such Cottage Owner's assessment for the following month or fraction of a month, which assessment shall be in proportion to the Cottage Owner's respective ownership interest in the Association and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be computed by the Board.

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

Section 5. Lien. It shall be the duty of every Cottage Owner to pay such Cottage Owner's proportionate share of the expenses as provided in the Declaration.

If any Cottage Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the maximum rate then allowed by applicable law, after said common expenses become due and payable, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Cottage Owner in the Property, provided, however, that such lien shall be subordinate to the lien of a recorded deed of trust on the interest of such Cottage Owner, except for the amount of the proportionate share of common expenses and limited common expenses which are due and payable from and after the date on which such deed of trust beneficiary either takes possession of the Cottage, accepts a conveyance of any interest therein (other than as security), or files suit to foreclose on its deed of trust. The provisions of this paragraph of this Article IV, Section 5 shall not be amended, changed, modified, or rescinded in any way without the prior written consent of all such lien holders of record.

The Association or its successors and assigns and the Board or its agents shall have the right to enforce the lien as provided in the Declaration, and there shall be added to the amount due the costs of any suit maintained to enforce the lien and other fees and expenses, together with legal interest and reasonable attorneys' fees. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Horizontal Property Act, the Declaration, or these Bylaws, or as are otherwise available, at law or in equity, for the collection of all unpaid assessments.

Section 6. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in a book in chronological order of the receipts and expenditures affecting the Property specifying and itemizing the expenses incurred.

Section 7. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements rather than a lien against only a particular Cottage ownership. When fewer than all the Cottage Owners are responsible for the existence of any such

lien, the Cottage Owners responsible shall be jointly and severally liable for the amount necessary to
discharge the same and for all costs and expenses, including attorneys' fees, incurred by reason of such lien.

Section 8. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein and (except for such special assessments as may be levied hereunder against less than all the Cottage Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use, and account of all the Cottage Owners.

Section 9. Association Records. The Association shall keep as permanent records minutes of all meetings of its Cottage Owners and Board of Directors a record of all actions taken by the Cottage Owners or Board of Directors without a meeting and all appropriate accounting records.

Section 10. Records at Principal Office. The Association shall keep at all times a copy of the following records at its principal office:

(a) Its Charter and all amendments thereto;

(b) These Bylaws and all amendments thereto;

(c) Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of Cottage Owners or any class or category of Cottage Owners;

(d) The minutes of all meetings of Cottage Owners and the records of all actions taken by Cottage Owners without a meeting for the past three (3) years;

(e) All written communications to Cottage Owners generally within the past three (3) years, including the past three (3) years' annual financial statements;

(f) A list of the names and business or home addresses of its current Directors and officers;

(g) The most recent annual report delivered to the Tennessee Secretary of State; and

(h) Its Declaration and all amendments thereto.

ARTICLE V

Use and Occupancy Restrictions

Section 1. General. No unlawful, noxious, or offensive activities shall be carried on in any Cottage 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 or other Cottage Owner cause unreasonable noise or disturbance to others.

Each Cottage Owner shall maintain such Cottage Owner's Cottage and Limited Common Elements in good condition and in good order and repair, at such Cottage Owners expense, and shall not do or allow anything to be done in such Cottage Owner's Cottage or Limited Common Elements which may increase the cost or cause the cancellation of insurance on other Cottages or on the Common Elements. No Cottage Owner shall display, hang, store, or use any clothing, sheets, blankets, laundry, or other articles. outside of such Cottage Owner's Cottage or which may be visible from the outside of such Cottage Owner 's Cottage (other than draperies, curtains, or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of such Cottage Owner's Cottage or install outside such Cottage Owner's Cottage any canopy or awning or outside radio or television antenna or Citizens Band radio transmitter, satellite dish, or other equipment, fixtures, or items of any kind, without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's discretion, or of the other Cottage Owner. The foregoing restrictions as to use and occupancy shall not be construed to prohibit a Cottage Owner from placing and maintaining outdoor furniture and decorative foliage of a customary nature and appearance on a patio or deck which is a Private Element appurtenant to such Cottage Owners Cottage. No Cottage Owner of a Cottage shall display, hang, store, or use any sign outside such Cottage Owner's Cottage or which may be visible from the outside of such Cottage Owner's Cottage without the prior written permission of the Board of the written permission of the Managing Agent, acting in accord with the Board's discretion, or of the other Cottage Owner.

No structure of a temporary character, trailer, motor home, boat, tent, shack, garage, barn, or other out-buildings shall be permitted on the Property at any time, temporarily or permanently, except with the prior written consent of the Board or other Cottage Owner; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Buildings or any portion thereof.

Section 2. Animals. No animals shall be raised, bred, or kept in any Cottage, except for dogs, household cats, and small birds owned as household pets by a Cottage Owner, provided that said pets are not kept for any commercial purpose. No more than a total of three (3) pets may be kept at any time, provided that such pets shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted or approved by the Board and provided that said pets shall not in the judgment of the Board or other Cottage Owner constitute a nuisance to others.

All dogs owned by Cottage Owners and kept in a Cottage shall be on leash while outside the Cottage. All such dogs shall be exercised by the Cottage Owner at places on the Property which do not interfere with the use and enjoyment of the same by other Cottage Owners. A Cottage Owner shall be responsible for all damage caused by said Cottage Owner's pets.

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 Cottages, the Developer and the Developer's agents, employees, contractors, and subcontractors and their respective agents and employees shall be entitled to reasonable access, ingress to, and egress from said Buildings and Property as may be required for purposes of said sale of Cottages. While the Developer owns any of the Cottages, and until each Cottage 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 cottages and may maintain customary signs in connection therewith.

Section 5. Storage. Storage of boats, trailers, campers, and motor homes on the Property shall not be permitted. Garage doors shall be kept closed except when entering or exiting the garage.

ARTICLE VI

Contractual Powers

No contract or other transaction between the Association and one or more of its Directors or between the Association and any corporation, firm, or association in which one 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 corporation 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 all of the voting rights as provided herein. Such amendment(s) shall not be operative until they are recorded in the office of the Register of Deeds for Davidson County, Tennessee.

ARTICLE VIII

Deeds of Trust

Section 1. Notice to Board. A Cottage Owner who mortgages his or Cottage may notify the Board of the name and address of the deed of trust beneficiary and shall file a copy of the deed of trust with the Board.

Section 2. Notice of Unpaid Common Charges. The Board, whenever so requested in writing by a deed of trust beneficiary of a Cottage, shall promptly report any then unpaid assessments, fees, or common charges due from or any default by the Cottage Owner of the mortgaged Cottage.

Section 3. Notice of Default. The Board, when giving notice to a Cottage Owner of a default in paying common charges or other default, shall send a copy of such notice to each deed of trust beneficiary of record covering such Cottage whose name and address has theretofore been furnished to the Board and which has requested in writing to be sent a copy of such notice(s).

Section 4. Examination of Books. Each Cottage Owner and others as specified in the Declaration shall be permitted to examine the books and records of the Association, current copies of the Declaration and Bylaws, and rules and regulations of the Association during normal business hours and upon request.

Section 5. Interest of Valid First Deed of Trust. The interest of a valid first deed of trust shall be superior to the interest of the Board in the event of a default, and nothing in these Bylaws shall be construed to the contrary. If the first deed of trust has incorporated the terms of these Bylaws or the Declaration in its deed of trust, then said first deed of trust 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 IX

Definition of Terms

The terms used in these Bylaws, to the extent they are defined herein, shall have the same definition as set forth in the Declaration, as such may be amended from time to time, which Declaration is recorded in the office of the Register of Deeds for Davidson County, Tennessee. The term "Deed of trust," as used herein, includes a mortgage; and "deed of trust beneficiary" includes a mortgagee and a holder of a deed of trust.

ARTICLE X
Miscellaneous Provisions

Section 1. No Seal. The Association shall have no seal.

Section 2. Notices. Whenever notice is required to be given to Cottage Owners, Directors, or officers, unless otherwise provided by law, the Declaration, the Charter, or these Bylaws, such notice may be given in person or by telephone, telegraph, mail, or private carrier. If such notice is given by mail, it shall be sent postage prepaid by first class United States mail or by registered or certified United States mail, return receipt requested, and addressed to the respective address which appears for each such person on the books of the Corporation. Written notice sent by mail to Cottage Owners shall be deemed to have been given when it is mailed. Any other written notice shall be deemed to have been given at the earliest of the following:

(a) When received;

(b) Five (5) days after its deposit in the United States mail if sent first class, postage prepaid; or

(c) On the date on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Section 3. Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute or of the Declaration, the Charter, or these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the date stated thereon, and delivered to the Secretary of the Association and included in the minutes or corporate records, shall be deemed equivalent thereto.

Section 4. Negotiable Instruments. All checks, drafts, notes, or other obligations of the Association shall be signed by such of the officers of the Association or by such other person(s) as may be authorized by the Board of Directors.

Section 5. Deposits. The monies of the Association may be deposited in the name of the Association in such bank(s) or financial institution(s) as the Board of Directors shall designate from time to time and shall be drawn out by check signed by the officer(s) or person(s) designated by resolution adopted by the Board of Directors.

Section 6. Committee Members. With respect to claims or liabilities arising out of service as a member of a committee duly appointed by the Board of Directors of the Association, the Association shall indemnify and advance expenses to each such present and future committee member (and his or her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

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 case any of the provisions of the Bylaws

conflict with the provisions of said statute or with the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

EXHIBIT D

Percentage of Ownership Interest

Cottage Number	Percentage of Ownership
17A	50%
17B	50%