THIS INSTRUMENT PREPARED BY:
Steve Carleton Burt
321 South 11th Street
Nashville, TN 37206

Karen Y Johnson Davidson County
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR 818 SHELBY AVENUE A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

This declaration made and entered into by Steve C. Burt, an individual (hereinafter referred to as the "Developer").

WITNESSETH:

Whereas, the Developer is the record owner of the legal title of a tract or parcel of real property located in Davidson Count, TN, and more particularly described on Exhibit "A" attached and made a part hereof (hereinafter referred to as the "Parcel"); and

Whereas, the Developer desires to and does hereby submit the Parcel described on Exhibit "A" together with all the rest of the Property (as herein defined), 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 for the express purpose of establishing thereon a horizontal property regime with private elements to be known as 818 Shelby Avenue; and,

Whereas, the Developer further desires to establish for their 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, Developer, as the legal title holder of the Property and for the purposes above set forth 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.
(b) "Association" means the 818 Shelby Avenue Townhome Corporation, a Tennessee not-for-profit corporation.
(c) "Attorney's Certificate." The attorney's opinion as required under the terms of T.C.A. Section 66-27-103 is attached hereto as Exhibit "D" and made a part hereof.
(d) "Board" means the Board of Directors of 818 Shelby Avenue Townhome Corporation, a Tennessee not-for-profit corporation.

(e) "Buildings" mean the buildings located on the parcel and forming a part of the property and containing the Units. The buildings are delineated on the Plat attached as Exhibit "B."

(f) "By-Laws" mean the By-Laws of 818 Shelby Avenue Townhome Corporation 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 the body of this Declaration dealing with the administration and maintenance of the property shall be deemed to be part of the By-Laws.

(g) "Common Elements" shall mean all of the Property, except the Units and Private Elements.

(h) "Limited Common Elements" shall mean those portions of the Common Elements designated herein for the exclusive enjoyment, benefit or use of the Unit to which it is assigned, including the garage portion of the Common Elements, which shall be assigned to each Unit.

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

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

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

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

(m) "Private Elements" means and includes the area of the Parcel upon which a Unit is located as shown on the Plat for which fee simple ownership and exclusive use is reserved for that Unit only.

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

(o) "Property" means all the land, property and space comprising the Parcel as defined in Item j 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, submitted to the provisions of the Act.

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

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

(r) "Unit" shall mean a portion of the Property as shown and designated in the Plat for separate ownership and shall include the Private Elements and the buildings and improvements now and hereafter located thereon. Each Unit is identified by an alphanumeric designation on the Plat and may be held and conveyed by reference to such alphanumeric designation. Conveyance of a Unit shall automatically convey the undivided membership of each Unit Owner in the Association. Each Unit will be assigned a street address. Any Unit may be jointly or commonly owned in any estate recognized under applicable law. For purposes

herein, the term "Unit" shall equate to the same meaning as the term "Apartment" in the Act.

(s) "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, and of the undivided interest in the Common Elements appurtenant thereto, and shall be deemed the same as "Co-Owner" under the Act. Unless specifically provided otherwise herein, Developer shall be a deemed a Unit Owner so long as he is the legal title holder of any Unit.

2. **Submission of the 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 does hereby establish a Horizontal Property Regime with Private Elements to be known as 818 Shelby Avenue.

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

4. **Units**. The legal description of each Unit shall consist of the identifying alphanumeric designation of each Unit as shown on the Plat. Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a Unit by its identifying alphanumeric designation as shown on the Plat and every such description by the alphanumeric designation 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 his Unit be separated into tracts or parcels different from the whole Unit as shown on the Plat.

5. **Association of Unit Owners and Administration and Operation of the Property**. There has been formed an Association having the name 818 Shelby Avenue Townhome Corporation, 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 By-Laws. 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 By-Laws for the Association shall be the By-Laws attached to this Declaration as Exhibit "C" and made a part hereof. The Board of the Association shall be elected and serve in accordance with the By-Laws. The fiscal year of the Association shall be deemed to be a calendar year. The Association shall not be deemed to be conducting a business of any kind, other than rental to an Occupant. 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 the Declaration and By-Laws. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall automatically succeed to the former Unit Owner's membership in the Association.

6. **Voting Membership**. Each Unit Owner shall be a member and shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, those individuals must cast a single vote as a group on behalf of the Unit.

7. **Management of the Property**. Subject to the provisions of Article II, Section 3 (c) of the By-Laws, the Board shall have the authority to engage the services of an agent to maintain, repair, replace, administer or operate the Property, or any part thereof, to the extent deemed advisable by the Board. The cost of said services shall be a common expense.

8. **Non-Liability of the Directors, Board, Officers and Developer**. To the extent permitted by law, neither the directors nor officers of the Association shall be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever, 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 assigned representatives in accordance with the Charter of the Association and the By-Laws.

9. **Interests of Association in Common Elements**. Ownership of the Common Elements shall be vested in the Association. The garage portion of the Common Elements will be divided for assigned use one half for one Unit and one half for the other Unit.

10. **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 the By-Laws, the determination thereof by the Board shall be final and binding on all Unit Owners. If a dispute arises from or relates to these covenants or to the breach thereof, which dispute cannot be settled through direct discussions, the parties agree to endeavor to settle the dispute either by mediation administered by the American Arbitration Association under its Commercial Mediation Rules or by another mediator mutually agreed upon by the parties, before resorting to arbitration. Any unresolved controversy or claim arising from or relating to these restrictions and covenants, or any other dispute under this Declaration, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Mediation Rules or by another arbitrator mutually agreed upon by the parties, and Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If the parties agree, a mediator involved in the parties' mediation may be asked to serve as the arbitrator. All expenses in connection with any such mediation and/or arbitration, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest rate allowed by applicable law or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to and assessed against such non-prevailing Unit Owner.

11. **Ownership of Interests in the Association.** Each Unit is hereby allocated an equal percentage ownership in the Association. The percentages of ownership interests shall remain constant unless hereafter changed by recorded amendment to the Declaration consented to in

writing by the Unit Owners in accordance with the requirements hereafter contained. Said ownership interest shall be an undivided interest, and the undivided membership interests in the Association shall be owned by the Unit Owners as Tenants in Common in accordance with their respective percentages of ownership. 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 the Association appurtenant to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title to that Unit.

12. **Use of the Common Elements.** Each Unit Owner shall have the right to use the Common Elements in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements (yard space, sidewalks) shall extend not only to each Unit Owner, but also to his agent, domestic employees, tenants, family members, customers, invitees, and licenses. However, each Unit Owner will have the exclusive use and possession of one half of the garage building assigned by Developer for use by said Unit Owner.

13. **Storage Units.** No storage units or areas shall be permitted upon the Property outside any Unit, except those specified by the Board or the Developer.

14. **Common Expenses and Enforcement.** Each Unit Owner shall be responsible for paying his proportionate share of the expenses of the administration and operation of the Common Elements and of any other expenses incurred in conformance with this Declaration and By-Laws. These may include insurance, maintenance, repair, landscaping, French drain remediation, garage wall/roof costs, lawn furniture, etc. Common expenses may include utilities, particularly for garage, internet, telecommunication, television, cable or other shared expenses. Each Unit Owner shall be responsible for paying an equal share of the common expenses. The By-Laws will define the timing and the amount amounts of payments by Unit Owners for common expenses. No Unit Owner shall be exempt from payment by waiver or nonuse of enjoyment of the Common Elements or abandonment of his Unit. The Board has authority to pursue collection efforts, and may bill for costs of liens, attorneys' fees and interest at the highest rate allowed by applicable law on unpaid amounts.

15. **Mortgages and Deeds of Trust.** Each Unit Owner shall have the right, subject to provisions herein, to mortgage his Unit together with his respective ownership interest in the Association. No Unit Owner shall have the right to mortgage or place a lien on the Property or any part thereof, except to the extent of his own Unit and its appurtenant interest in the Association.

16. **Deed of Trust Protection.** The lien for assessments payable by a Unit Owner 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 and Beneficiaries of records.

17. **Separate Real Estate Taxes.** Real estate taxes are expected to be separately taxed to each Unit Owner for his Unit and its appurtenant interest in the Association, as provided in the Act. In the event such taxes are not separately taxed to each Unit Owner, but rather are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Percentage Interest in the Association, and in said event, such taxes shall be a common expense.

18. **Insurance.** The Board, at its discretion, may obtain insurance for the Common Elements, and if applicable as directed by a vote of the Unit Owners the Limited Common Elements and Private Elements, against loss or damage by fire, vandalism, malicious mischief, flood, tornado, hurricane and such as other hazards as are covered under standard extended coverage provisions. Such insurance shall be written in the name of, and the proceeds shall be payable to, the Board, as the Trustee for the Unit Owners in proportion to the Unit Owners' respective percentages of ownership in the Association. The premiums of such insurance shall be a common expense. In the event of damage to or destruction of any Common Elements, the Board shall, in its sole and absolute discretion, determine and without intervention of any Unit Owner arrange for the prompt repair and restoration of the damaged portions of Common Elements in accordance with the original plans, or as modified based on changes in needs or inherent risks (e.g., mitigate water ingress, minimize fire risk, etc.). A special assessment will be required for any deficit between insurance proceeds and the cost of repairs and restoration, and each Unit Owner shall bear his proportionate share of such deficit. The Board shall not be responsible for repair, replacement or restoration in any Unit or Private Elements. The Unit Owner is responsible for maintenance and repair within his Private Elements, including furniture, furnishings, fixtures, appliances, or equipment installed in the Unit by a Unit Owner, tenant or other authorized dweller. The Board shall 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, Owner and the Managing Agent, if any, from liability in connection with the Property. The premiums for such insurance shall be a common expense. Each Unit Owner shall be responsible for obtaining his own insurance on his Unit, contents of his Unit, and the Limited Common Elements serving his Unit. The Unit Owner is responsible for maintenance and repair of Private Elements, and for decorations, furnishings and personal property therein and stored elsewhere on the Property. If requested by the Board, each Unit Owner shall be required to list the Association as an additional insured on said Unit's hazard insurance policy.

19. **Maintenance, Repairs, Replacements and Easements.** 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 the Limited Common Elements attributable thereto. Maintenance of, repairs to and replacements within the Common Elements, such as sidewalk

repairs, shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of common expenses. The expenses for the maintenance, repair or replacement of a Unit's roof, water heater, furnace, air conditioner, heating and air conditioning ducts, plumbing, electrical wiring and other items serving only such Unit shall be borne by the Unit Owner to which such Limited Common Elements are appurtenant. Prior to the replacement of any roof, the type and color of any replacement material shall be submitted to the Board for approval. If, due to an act or neglect of a Unit Owner, his agent, his domestic employee, his tenant, family member, invitee, licensee, household pet or other party, damage shall be caused to the Common Elements or Unit or Units owned by others, or maintenance, repairs or replacements are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repairs and replacements, to the extent not covered by the Association's insurance. An easement hereby exists for any installation, maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines running through or around any Unit or Common Elements. An easement exists for ingress and egress and maintenance in favor of any public utility providing utility services to the Property and the Units. The cost of maintaining any drainage, such as the French drains, shall be a common expense. The cost of maintaining sidewalks and the garage shall be a common expense. The Association, Board or its designated representatives, shall be entitled to reasonable access to the Units and Limited Common Elements as may be required in the event of an emergency, or if application in connection with maintenance of, repairs to or replacements within the Common Elements or Limited Common Elements, or to make any alteration required by a governmental authority.

20. **Alterations, Additions or Improvements.** Except as provided in Paragraph 21 herein, no alteration of any Common Element, or any additions thereto, shall be made by a 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 By-Laws. Any Unit Owner may make alterations, additions or improvements within his Unit without the prior written approval fo 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 or improvements. Any alteration or maintenance by a Unit Owner to the exterior of his Unit shall be in strict conformity to the architectural design and scheme of the Unit as of the date of this instrument unless modified by the unanimous agreement of the Unit Owners.

21. **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, shades, curtains, lighting and other furnishings and decorating. Each Unit Owner shall be entitled to 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 conditions at his sole expense. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, but each Unit Owner shall have the right to decorate such interior surfaces as he may see fit and at his sole expense. All windows and screens of a Unit shall be cleaned and washed, and any damage thereto repaired, at the expense of the Unit Owner of that Unit.

22. **Encroachments.** If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit 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.

23. **Use and Occupancy Restrictions.** Subject to the provisions of the By-Laws, 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, except that professional and quasi-professional people may use their residence, not in violation of zoning laws, as an ancillary of secondary office. There shall be no restrictions on the rights of Unit Owners to lease their Units for residential purposes. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, or handling his personal business or professional telephone or electronic communications. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restrictions. The Common Elements shall be used only by Unit Owners, their agents, domestic employees, tenants, family members, customers, invitees, and licensees for access, ingress to, and egress form the respective Units and for such purposes incidental to use of the Units. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner.

24. **Remedies.** In the event of any violation of the provisions of the Act, this Declaration, By-Laws, or rules and regulations of the Association by any Unit Owner or occupant of his Unit, the Association or its successors or assigns shall have each and all rights and remedies which may be provided for in the Act, this Declaration, By-Laws, 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 for enforcement of any lien or 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 hereinafter in this section, 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 damages, together with interest thereon at the highest rate allowed by applicable law, shall be charged to and assessed against such defaulting Unit Owner. The Board shall have the right to secure a lien for all the same, as well as for nonpayment of common expenses, upon the Unit and its appurtenant interest in the Association of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the property; provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit. In the event of default by a Unit Owner, the Board shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting

Unit 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. The violation of any restriction or condition or regulation adopted by the Board or a governmental authority or the breach of any covenant or provision contained herein, 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 be thereby 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 of 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 conduct or by conduct of any occupant or invitee of his Unit) shall violate the Act, or any covenants or restrictions or provisions of this Declaration, the By-Laws, or the regulations adopted by the Board, and if such default shall continue for 10 days after notice to the Unit Owner or shall occur repeatedly during any 10 day period after notice or a request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Unit Owner a written notice terminating the defaulting Unit Owner's rights to continue as a Unit Owner and to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Unit Owner or Occupant for a decree of mandatory injunction against such defaulting Owner's or Occupant's right to occupy, use or control the Unit on account of said violation, and ordering that all the rights, title and interest of said defaulting Unit Owner of 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. The Board, along with the court, shall ensure appropriate payment of obligations associated with the Unit sale, including amounts owed to the court, government authorities, mortgagees and the Association.

25. **Amendments**. The provisions of this Declaration may be amended by agreement of the Unit Owners, by an instrument in writing, setting forth such amendment signed by both Unit Owners. All lien holders of record must be notified of amendments by the Association. However, if the Act, a governmental authority, or the By-Laws require an amendment to this Declaration, the Board shall communicate this amendment to the Unit Owners and lien holders. Notwithstanding the above, the Developer 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 approval for the horizontal property regime.

26. **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 21 years after the death of the

survivor now living descendants of the Governor of Tennessee holding office as of the date of this Declaration.

27. **Rights and Obligations**. Each Unit Owner, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens, and charges, and the jurisdictions, rights, and powers created or reserved by this Declaration. All Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Declaration. Any restrictions or rules in the By-Laws 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 shall be subject to, and shall comply with, the provisions of the By-Laws appended hereto and recorded herewith, pursuant to Tennessee Code Annotated, Section 66-27-111, as they may be amended from time to time. The acceptance 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 By-Laws, 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, By-Laws 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 mortgagee. When so incorporated, any default in the terms and conditions of this Declaration, By-Laws 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.

28. **Condemnation**. In the event of a taking of part of the Common Elements in condemnation or by eminent domain, the award for such taking shall be payable to the Association. If the Board approves the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration as appropriate. In the event the Board does not approve the repair or restoration of such Common Elements, the Board may hold the funds for future use or may distribute the funds to each Unit Owner based on the percentage of ownership in the Common Elements.

29. **Rights Reserved**. Each Unit Owner's right of enjoyment in the Common Elements shall be subject to: a) the right of the Association, as provided in its By-Laws or Rules and Regulations, to suspend 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 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 or dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless both members of the Association have agreed to such dedication, transfer, purpose or condition; c) the right of the Association to grant such easements and rights-of-way to such utility companies or public agencies or authorities it shall deem necessary for the proper servicing and maintenance of the Common Elements and the Units.

30. **Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA) and other lender Regulations**. Notwithstanding anything to the contrary contained in this Declaration or in the By-Laws of the Association, all terms, conditions, regulations, and requirements which are now existing, or which may be amended from time to time by the FNMA, FHLMC or other Regulator, pertaining to planned unit developments or townhomes, are hereby incorporated as terms and conditions of this Declaration and By-Laws and such shall be governing upon the Property, Developer, and the Association, so long as such terms or conditions are not inconsistent with the Act. Specifically, without limitation upon the foregoing, the following declarations shall be controlling over any terms of this Declaration or By-Laws, which are in conflict with this paragraph, or any portion of the regulations of FNMA, FHLMC or other regulatory body, pertaining to planned unit developments or townhomes, are hereby deleted and the following rights of mortgagees are itemized as follows: a) a first mortgagee of a Unit at his request is entitled to written notification from the Association of any default by the mortgagor or such Unit in the performance of the mortgagor's obligations under this Declaration, By-Laws, or any of the planned unit development or townhome documents, which is not cured within 90 days; b) any first mortgagee of a Unit who comes into possession of the 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 and clear of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments resulting from a pro rata re-allocation of such assessments or charges to all Units including the mortgaged Unit); c) unless all of the first mortgagees of Units have given their prior written approval, the Association shall not be entitled to change the pro rata interest or obligations of any Unit for purposes of levying assessments, allocating distribution of insurance proceeds or condemnation awards, determining the pro rata share of each unit in the Association, or for calculating losses to the Common Elements for other than repair, replacement or reconstruction of such improvements (except as provided by T.C.A, Section 66-27-118) in case of substantial loss to the Common Elements; d) as 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; e) no Unit Owner, or any other party, shall have priority over any rights of the first mortgagee in the case of distribution to Unit Owners of insurance proceeds or condemnation awards for losses to a taking of Units or Common Elements; f) Developer, its successors and assignees, or any other person or entity, may be terminated on 90 days written notice and the terms of any such contract shall so provide and

shall not be of a duration in excess of 3 years; g) the Association shall give to the FNMA, FHLMC or other regulator or loan servicer notice in writing of any loss to or the taking of Common Elements if such loss or taking exceeds $25,000; h) the interest of a first mortgagee in a mortgaged Unit shall be superior to the interests of any person, group, partnership, corporation or entity of any kind, including any interest the Association, Developer, or any Unit Owner may have in any portion of the Property, regardless of the nature of the interest or the manner in which it is acquired i) notwithstanding the above, any first mortgagee shall have all 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.

31. **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 and 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 beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of tile to such Unit.

32. **Notices**. Notices provided for in the Act, Declaration or By-Laws shall be in writing and shall be addressed to the Association at: 818 Shelby Avenue Townhome Corporation, 321 S 11th Street, Nashville, TN 37206. This address may be changed with proper notice. Notices to any Unit Owner shall be sent to the address of the Unit. Notices addressed as above shall be deemed delivered when mailed by the United States registered or certified mail, or when delivered in person with written acknowledgement of the receipt thereof. Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Unit Owner whose Unit is subject to such mortgage or trust deed.

33. **Severability**. If any provision of this Declaration or By-Laws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Declaration and the By-Laws 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 By-Laws shall be construed as if such invalid part was never included therein.

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

35. **Gender**. The use of masculine gender in this Declaration and in the By-Laws shall be deemed to include the feminine gender and the use of singular shall be deemed to include the plural whenever the context so requires.

IN WITNESS WHEREOF, the Developer has executed this Declaration on the 13th day of September, 2018.

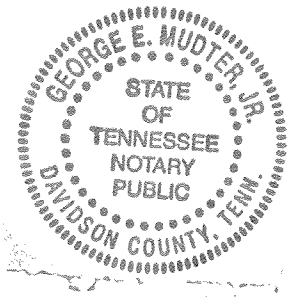
DEVELOPER:

Steve C. Burt

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, the undersigned Notary Public, in and for the said county and state, the within named Steve C. Burt, the bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand office seal at office this 13th day of September, 2018.



Notary Public
My Commission Expires: 5/5/20

EXHIBIT A

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
818 SHELBY AVENUE
A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

LEGAL DESCRIPTION

Land in Davidson County, Tennessee, being Lot No. 254 on the Plan of Williams 2nd Addition to Edgefield, now East Nashville, of record in Plat Book 21, Page 60, Register's Office for Davidson County, Tennessee, to which plan reference is made for a more complete and detailed description.

EXHIBIT B

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
818 SHELBY AVENUE
A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

PLAT

EXHIBIT "B"

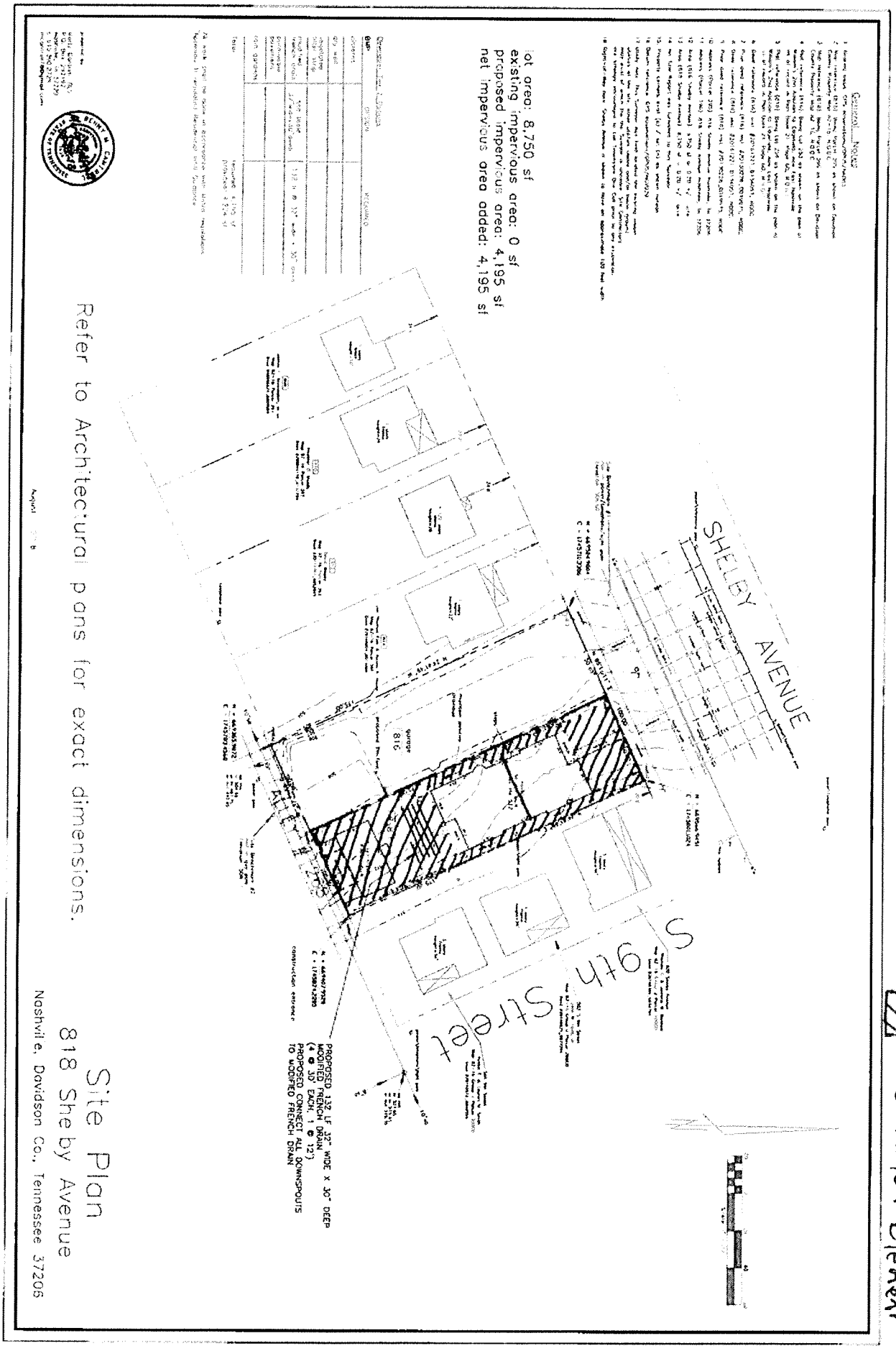

Private Element
Common Element
SHELBY AVENUE
S 9th Street
816
PROPOSED 132 LF 12" WIDE X 30" DEEP MODIFIED FRENCH DRAIN (4 @ 33' EACH, 1 @ 12')
PROPOSED CONNECT ALL DOWNSPOUTS TO MODIFIED FRENCH DRAIN
lot area: 8,750 sf
existing impervious area: 0 sf
proposed impervious area: 4,195 sf
net impervious area added: 4,195 sf
Refer to Architectural plans for exact dimensions.
Site Plan
818 Shelby Avenue
Nashville, Davidson Co., Tennessee 37206

EXHIBIT C

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
818 SHELBY AVENUE
A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

BYLAWS

201809130090951

BY-LAWS OF
818 Shelby Avenue Townhome Corporation
ASSOCIATION OF UNIT MEMBERS

1. **Eligibility**. The Members of 818 Shelby Avenue Townhome Corporation, a Tennessee not-for-profit corporation, shall consist of the Unit Owners of the Property known as 818 Shelby Avenue, located in Nashville, Tennessee (the "Property"). If a Unit Owner is a trust, then the member shall be a beneficiary of such trust, and if the Unit Owner is a corporation or partnership, the member may be an officer, partner or employee of such Unit Owner.

2. **Succession**. 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.

3. **Annual Meeting**. The annual meeting of the Association will be held on the last Tuesday of January at 6:00 p.m. each year. As there are only two members, the members may modify the date to a time and date agreeable to both parties.

4. **Special Meeting**. Either member may call a special meeting with two weeks' notice, provided the date and time are agreeable to the other member. The purpose of such special meeting should be outlined at the time of scheduling.

5. **Notice of Meeting**. A written notice of a meeting may be communicated in letter form or via electronic communication. Both parties must be present to validate decisions and conclusions reached at the meeting. The Developer should be notified of all meetings.

6. **Waiver of Notice**. The presence of both members, in person or by proxy or phone, at any meeting shall render the same a valid meeting, The person calling the meeting is responsible for summarizing and distributing the minutes of the meeting.

7. **Quorum Voting**. Both members must be present to bind the Association. In the event one member refuses to participate in meetings, this must be presented to the arbiter in accordance with the Declaration Section 10.

8. **Membership; Voting**. Any Person or combination thereof owning any Unit duly recorded in his or its name, the ownership of which shall be determined by the records of the Register's Office for Davidson County, Tennessee, shall be a member of the Association, and either in person or by proxy entitled to a vote equivalent to one vote for each Unit so owned at all meetings of the Association. Any provision to the contrary notwithstanding, co-owners or joint owners shall be deemed one Unit Owner and one member. The authority given by a member to another person to represent such member at meetings of the Association shall be in writing, signed by such member (or if a Unit is jointly owned then by co-owners or joint owners, by all such co-owners or joint

owners; or if such member is a corporation, by the proper officers thereof, and shall be filed with the Secretary, and unless limited by its terms, such authority shall be deemed good until revoked in a writing filed with the Secretary. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any Unit owned or held by him in such capacity, whether or not the same shall have been transferred to his name by a duly recorded conveyance. In case such Unit shall not have so been transferred to his name, he shall satisfy the Secretary that he is the executor, administrator, guardian or trustee holding such Unit in such capacity. Whenever any such Unit is owned by two or more persons jointly according to the Record, the vote thereof may be exercised by any one of the owners present in the absence of protest by the other or others; PROVIDED, HOWEVER, that when the vote of an owner or owners has been pledged by mortgage or deed of trust of Record, only the vote of the pledgee will be recognized upon those matters upon which the owner's or owners' vote is so pledged except as otherwise provided in Section 7.

9. **Adjournment**. Any meeting of the Association may be adjourned from time to time as may be determined by both members without notice, if agreed to by both members. Any business transacted at such ad hoc meetings is enforceable on all members of the Association.

10. **Board of Directors; Board's Determination Binding; Arbitration**. The affairs of the Association shall be governed by a Board of Directors ("Board") composed of one Unit Owner for each Unit. In the event of any dispute or disagreement between members of the Board of Directors relating to the Property, or any questions of interpretation or application of the provisions of these By-Laws or the Declaration, the members of the Board of Directors agree to endeavor to settle the dispute either by mediation administered by the American Arbitration Association under its Commercial Mediation Rules or by another mediator mutually agreed upon by the parties, before resorting to arbitration. Any such unresolved controversy or claim shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Mediation Rules or by another arbitrator mutually agreed upon by the members of the Board of Directors, and Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If the members of the Board of Directors agree, a mediator involved in the parties' mediation may be asked to serve as the arbitrator. All expenses in connection with any such mediation and/or arbitration, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest rate allowed by applicable law or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to and assessed against such non-prevailing member of the Board.

11. **Board Powers and Duties**. The Board shall have all of the powers and duties granted thereto in the Declaration and all other powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law, by the Declaration or by these By-Laws directed to be exercised and done by Unit Owners. The Board has the powers and duties to: a) elect and remove officers of the Association, b) administer the affairs of the Association and the Property, c) to engage the services of an agent ("Managing Agent") if desired to maintain, repair, replace, administer and operate the Property or any part hereof for all Unit

Owners, upon such terms and for such compensation and with such authority as the Board may approve, d) formulate policies for administration, management and operation of the Property and the Common Elements, including the detached garage, French drain system, landscaping and grounds, sidewalks, etc., e) adopt Rules and Regulations, with written notice thereof, to all Unit Owners and Occupants, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such Rules and Regulations from time to time, f) to provide for the surveillance, maintenance, repair and replacement of Common Elements and payments therefor, or to delegate such authority to the Managing Agent, g) to provide for the designation, hiring and removal of employees, contractors and other personnel and to engage and contract for services related to maintenance, repair, replacement, administration, management and operation of the Property and Common Elements, h) appoint experts as necessary to carry out Board duties, i) maintain a calendar year fiscal year, unless such fiscal year is changed by the Board, j) establish a working budget , including determining Unit Owner assessments and the timing of such payments, k) secure insurance policies as required by the Declaration, l) comply with instructions of Unit Owners as expressed in resolutions duly adopted at annual or special meetings, m) exercise all other powers and duties of Unit Owners as a group referred to in the Act, or in the Declaration or in these By-Laws.

12. **Managing Agent**. The Managing Agent, if one is selected by the Board, shall perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 11. The Board or Managing Agent may procure goods or services or enter into service contracts to carry out the Association duties.

13. **Election and Term of Office**. Effective upon acquisition of a fee simple title to a Unit, one person in title, or a Unit Owner, shall be deemed a director. The preceding Unit Owner will be removed as a director. The director may be a trustee, beneficiary of a trust, or an officer, partner or employee of a Unit Owner. A director remains in office as long as he continues to be a Unit Owner, unless another Unit Owner from the Unit takes his place.

14. **Removal of Directors**. Any motion to a remove a director must be heard by an arbiter in accordance with Section 10 of these Bylaws. Causes for removal include unpaid assessments, illegal activities arising in the Unit, violation of the By-Laws or Declaration, damage to Common Elements or another Unit Owner's property, and other acts deemed appropriate by arbiter.

15. **Compensation**. No compensation will be paid to directors or the Board.

16. **Financial Status**. The financial condition and operating results of the Association should be periodically presented to and reviewed by the Board, but at a minimum annually. This review is expected to occur at the scheduled Annual Meeting the last Tuesday of each January.

17. **Officers**. The officers will consist of a President and a Secretary-Treasurer elected by the Board of Directors.

The President will generally be responsible for calling meetings, requesting votes, tallying votes, and providing meeting minutes.

The Secretary-Treasurer will generally be responsible for financial administration, monitoring assets and liabilities, ensuring dues are paid, and briefing the Board on financial results at a minimum annually. The Secretary-Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Secretary-Treasurer shall attend and keep the minutes of all meetings of the Board of Directors or of the Association; shall give all notices as provided by these By-Laws, and shall have other powers and duties as may be incidental to the office of Secretary, given him by these By-Laws or assigned to him from time to time by the directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

18. **Annual Budget**. The Board shall once a year prepare an annual budget, which will itemize expected annual expenditures and recommend associated dues expected from each Unit to provide adequate funding. The Board may establish targeted reserves, intended to cover for known or unknown repairs, replacements or maintenance requirements. The timing of dues may be monthly, quarterly or annually ad determined by the Board.

19. **Special Assessments**. As described in the Declaration, special assessments may be necessary in the event of unexpected large repair, replacement or maintenance requirements (e.g., tree removal, garage door repair, French drain failure, gopher mitigation, etc.). Unit Owners are required to fulfill their pro rata share of any special assessment. Efforts may be made to soften these financial burdens by advance notice, smoothing payments over several months, etc.

20. **Expenditures**. Other than for minor, routine expenditures (salt for snow melting, light bulbs, etc.), the Board is expected to authorize any expenditure over $100. The Managing Agent may authorize the expenditure, but is expected to provide receipts to the Board.

21. **Lien**. Each Unit Owner must pay his share of common expenses and special assessments. If a Unit Owner fails or refuses to make such payment, unpaid balances will accrue interest at the highest rate allowed by applicable law. The Board may record a lien against the Unit Owner, may pursue collection efforts via an attorney or collection agent, or may foreclose any such lien. The Unit Owner will be obligated for interest, court fees, filing fees, attorney's fees, collection agent fees and any other out-of-pocket expenses to pursue recovery of the unpaid assessments or dues. The Association may pursue any and all rights provided for in the Act, the Declaration, these By-Laws, or as are otherwise available at law or in equity.

22. **Records and Statement of Account**. The Board shall keep detailed and accurate records of all receipts, expenditures, collections and financial results.

23. **Discharge of Liens**. The Board may discharge mechanic's liens or other encumbrances in accordance with agreement by both Unit Owners.

24. **Holding of Funds**. The funds needed for working capital will be held in Association cash or investment accounts as deemed appropriate by the Board based on the short- and long-term needs for maintenance, repair or replacement. The funds are held for the benefit of the Unit Owners in accordance with their percentages of ownership in the Common Elements.

25. **Use and Occupancy Restrictions**. 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.

26. **Maintenance and Repair**. Each Unit Owner must perform promptly all maintenance and repair work to his Unit that, if omitted, would affect the Property in its entirety or a part belonging to Other Unit Owners, and is responsible for damages and liabilities that his failure to do so may cause. All repairs of internal installations of a Unit, such as water, light, power, sewage, telephone, cable and other accessories belonging to the Unit shall be maintained at the Unit Owner's expense. A unit owner will reimburse the Association for any expenditure incurred to repair or replace a Common Element damaged through the Unit Owner's fault.

27. **Use of Units**. All units shall be used in accordance with the provisions of the By-Laws, the Declaration, the Act, and Rules and Regulations and governmental ordinances.

28. **Use by Developer**. The Developer may continue to use a Unit, and his agents, contractors, subcontractors, and their respective agents and employees may be granted egress by the Developer. The Developer reserves the right to enter into, upon, over and under any Unit for a period of 1 year after the date of sale of a Unit.

29. **Rules and Regulations**. The Association may from time to time create, modify, revoke or otherwise change reasonable rules and regulations ("Rules and Regulations") governing the conduct of persons in said Property as may be necessary. These initially include: a) No exterior of any Unit, windows or doors, or any portion of the Common Elements, shall be painted or decorated by a Unit Owner without prior consent of the Board, b) No furniture, equipment or other personal articles shall be placed in the entrances to the Units other than in enclosed balconies, patios and rooftops, c) No Unit Owner or Occupant shall make or permit any noise or objectionable odor that will disturb or annoy other occupants in the Property, or do or permit anything to be done therein that will interfere with the rights, comfort or convenience of other Unit Owners, d) each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to swept or thrown therefrom, or from the doors or windows thereof, any dirt

or other substance, e) Garbage, refuse and ashes will be deposited with care in receptacles intended for such purposes only at such times and such manner as the Board or Managing Agent shall direct, f) All patios, porches and decks shall be maintained neatly and cleanly, g) unless approved by the Board only caged birds, house cats or dogs under 50 pounds may be kept in a Unit (no breeding activities are permitted, and leash laws and pet waste cleanup and removal are required by the Unit Owner and Occupant), g) Radio, television, satellite or other dish may not be hung from the exterior of the units without Board approval, h) The Managing Agent and authorized contractors and workmen may enter any Unit at a reasonable hour of the day for any purpose permitted under the terms of the Declaration, these By-Laws or Rules and Regulations, i) Damage to Common Elements caused by moving or carrying any article shall be paid by the Unit owner responsible for such article, j) No Unit Owner may bring into his Unit fluids or oils, such as gasoline, kerosene, naphtha, benzine or other similar substance, or other explosives or articles deemed hazardous to life, limb or property, without obtaining the written consent of the Board, k) Unit Owners must keep interiors clean and free from obstructions (ensure safe egress in emergencies), l) Unit Owners shall be held responsible for the actions of their employees, invitees, licensees, visitors, clients, patients or guests, m) No Unit shall be used or occupied in such a manner as to obstruct or interfere with the enjoyment of Occupants of the adjoining Unit, nor shall any illegal activity be committed or permitted to occur in or proximate to a Unit or upon the Common Elements.

30. **Remedies**. In the event of any violation of the provisions of the Act, the Declaration, these By-Laws or the Rules and Regulations by a Unit Owner or Occupant of his unit, the Association or its successors and assignees shall have all rights and remedies provided for in the Act, the Declaration, these By-Laws, the Rules and Regulations or that may otherwise be available at law or in equity.

31. **Amendments**. These By-Laws may be amended, modified or revoked in the same manner as the Declaration, provided however the contents of these By-Laws shall always contain those particulars that are required to be contained herein by the Act, and provided further that no modifications or amendments to these By-Laws shall be valid unless set forth in an amendment to the Declaration.

32. **Liability of Officers, Directors and Members**. No director or officer of the Association shall be liable for acts or defaults of any other officer or member for any loss sustained by the Association or any member thereof, unless the same has resulted from his own willful misconduct or negligence. To the extent permitted by law, the Association shall indemnify and hold harmless each of its directors and officers against all contractual and other liabilities arising out of contracts made by, or other acts of such directors and officers on behalf of Unit Owners, or arising out of their status as directors and officers, 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, attorney's fees, amounts of judgements 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 or officer may be involved by

virtue of such person's being or having been a director or officer. Such indemnity will not be operative with respect to any matter as to which such person shall have been adjudged in such action, suit or proceeding to be liable for gross negligence or fraud, or any matter settled or compromised. The Association and its Board shall have the power to raise by special assessment or otherwise, any sums required to discharge its obligations under this Article.

33. **Deeds of Trust and Mortgages**. Any holder, insurer or guarantor of a deed of trust or mortgage with respect to a Unit may file a copy of such instrument with the Board through the President, the name and address of such holder, insurer or guarantor and the number or address of the corresponding Unit, and the Board shall be required to notify such holder of: a) any condemnation loss or casualty loss that affects a material portion of the Property or the Unit covered by such mortgage or deed of trust, b) any delinquency in payment of expenses or charges owed by such Unit Owner that remains uncured for 90 days (the holder or mortgagee has the option to pay such delinquent amounts), c) any lapse, cancellation or material modification of any insurance policy of fidelity bond maintained by the Association, d) any proposed action that would require the consent of a specified percentage of deed of trust or mortgage lien holders. Any holder of a deed of trust or mortgage with respect to a Unit, or any insurer, may upon written request receive a copy of the Association's most recent financial statements.

34. **Books and Records**. Current copies of the Declaration, these By-Laws, Rules and Regulations and the books and financial records of the Association shall be available for inspection by any Unit Owner or holder, guarantor or insurer of any first mortgage or deed of trust covering a Unit.

35. **Definition of Terms**. The terms used in these By-Laws, to the extent they are defined herein, shall have the same meaning as set forth in the Declaration for 818 Shelby Avenue Townhome Corporation. The term "member" as used in these By-Laws means Unit Owner as defined in the Declaration.

36. **Conflicts**. These By-Laws are set forth to comply with the requirements of the Act, as it may be amended from time to time, and to allow the By-Laws to control in specific situations where such law allows. In the event any of the By-Laws conflict with the provisions of the Act or of the Declaration, the provisions of the Act or the Declaration, as the case may be, shall control.

EXHIBIT D

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
818 SHELBY AVENUE
A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

ATTORNEY'S OPINION

Pursuant to the requirements of Tennessee Code Annotated, Section 66-27-103, the undersigned, George E. Mudter, Jr., an attorney licensed to practice law in the State of Tennessee, hereby declares that, upon the recording of the Declaration to which this certificate is attached, and the Charter of 818 Shelby Avenue Townhome Corporation, there will be substantial compliance of all legal requirements for the creation of a planned unit development pursuant to the provisions of Tennessee Code Annotated, Section 66-27-101, et seq., known as 818 Shelby Avenue. The required documents are as follows:

(1) Declaration of Covenants, Conditions and Restrictions for 818 Shelby Avenue, a horizontal property regime with private elements;
(2) Site Plan for 7818 Shelby Avenue showing private and common elements, appended thereto as Exhibit "B"; and
(3) By-Laws of 818 Shelby Avenue Townhome Corporation, appended thereto as Exhibit "C";
(4) Charter of 818 Shelby Avenue Townhome Corporation, recorded or to be recorded in the office of the Secretary of State and to be recorded in the Register's Office for Davidson County, Tennessee.

This opinion is subject to the terms and conditions of the above referenced documents and to all applicable government ordinances and regulations.

This 13th day of September, 2018.

George E. Mudter, Jr., Attorney at Law

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, a Notary Public in and for said county and state, the within named George E. Mudter, Jr., Attorney at Law, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand in Nashville, Tennessee, this 13th day of September, 2018.

Notary Public
My commission expires _____

KELLY E COX
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY
MY COMMISSION EXPIRES SEPTEMBER 7, 2021

True Copy Certification

I, KELLY E. COX, 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.

KELLY E. COX

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, STACY L. THOMAS, a notary public for this county and state, KELLY E. COX, who acknowledges that this certification of an electronic document is true and correct and whose signature I have witnessed.

Notary's Signature
My Commission Expires: _____
Notary Seal:

