Karen Johnson Davidson County
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THIS INSTRUMENT PREPARED BY:
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DECLARATION OF COVENANTS, CONDTIONS AND RESTRICTIONS FOR SALEMTOWN COURT, A HORIZONTAL PROPERTY REGIME WITH PRIVATE ELEMENTS

THIS DECLARATION made and entered into by Martin Construction Company, (hereinafter referred to as the "Developer").

W I T N E S S E T H:

WHEREAS, the Developer is the record owner of the legal title of a tract or parcel of real property located in Davidson County, Tennessee, and more particularly described on Exhibit "A" attached 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 anyway pertaining thereto, to the provisions of the Horizontal Property Act of the State of Tennessee as the same may be amended from time to time for the express purpose of establishing thereon a horizontal property regime with private elements to be known as Salemtown Court; 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., as the same may be amended from time to time.

(b) "Allocated Interests" The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to each Unit as set forth in Exhibit "E".

(c) "Association" means Salemtown Court Corporation, a Tennessee not-for-profit corporation.

(d) "Attorney's Certificate." The attorney's opinion as required under the terms of the T.C.A. Section 66-27-103 is attached hereto as Exhibit "D" and made a part hereof.

(e) "Board" means the Board of Directors of Salemtown Court Corporation, a Tennessee not-for-profit corporation.

(f) "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.

(g) "By-Laws" mean the By-Laws of the Salemtown Court 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.

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

(i) "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.

(j) "Private Elements" shall mean and include the portion of the Parcel upon which a Unit is located. Exclusive ownership in fee simple and use of the Private Elements for each Unit is reserved to such Unit. The area of the Private Elements for each Unit is shown on the Plat.

(k) "Developer" shall refer to Martin Construction Company, its successors and assigns.

(l) "Majority" or "majority of the Unit Owners" mean the owners of more than fifty (50%) percent of the Allocated Interests.

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

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

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

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

(q) "Plat" means the plat or site plan of the Parcel submitted to the provisions of the Act showing the number of each Unit and the exterior boundary of its Private Elements and other data necessary for identification, said plat or site plan being

attached hereto as Exhibit "B".

(r) "Property" means all the land, property and space comprising the Parcel as defined in Item (n) 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.

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

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

(u) "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. Unit 4 and Unit 5 are separate free-standing buildings. Unit 1 and Unit 2 and Unit 2 and Unit 3 have a party wall. Each of said Units shall include one half of the party wall separating said Units. Each Unit is identified by number on the Plat and may be held and conveyed by reference to such number. Conveyance of a Unit shall automatically convey the undivided membership of each Unit Owner in the Association. 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 Horizontal Property Act.

(v) "Unit Owner" means the person or persons whose estates or interests, individually 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 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 as defined in T.C.A. 66-27-103 to be known as Salemtown Court.

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 number 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 number as shown on the Plat and every such description by number shall he 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 to be separated into tracts or parcels different front the whole Unit as shown on the Plat.

5. **Association of Unit Owners and Administration and Operation of the Property.**

(a) There has been formed an Association having the name Salemtown Court Corporation, a Tennessee not-for-profit corporation, which Association shall be the governing body for all Unit Owners, and shall he 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 based on such Unit's Allocated Interest. 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 Directors of the Association shall be elected and serve in accordance with the provisions of 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. All activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and any funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners, in accordance with the provisions of this Declaration and By-Laws. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall automatically succeed to the former Unit Owner's membership in the Association.

(b) Voting Membership.

Class A. Class A members shall be all Unit Owners with the exception of the Developer and shall be entitled to the votes set forth on Exhibit "E". When more than one (1) person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall be more than the votes set forth in Exhibit "E".

Class B. The Class B member shall be the Developer and shall be entitled to three

(3) votes for each Unit owned. The Class B membership shall cease the earlier of (i) when 100% of the Units are sold or (ii) three (3) years from the date of the sale of the first Unit.

(c) Management of the Property. The Board shall have the authority to engage the services of an agent (the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board. Said agent shall be required to maintain fidelity bond coverage on its employees handling Association Funds. The cost of said services shall be a common expense.

(d) Use by the Developer. During the period of sale by the Developer, the Developer and/or any builder of any Unit or their agents, employees, contractors, etc) shall be entitled to access, ingress, egress from the buildings and property as may be required for purposes of sale of the Units.

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

(f) Interests of Association in Common Elements. Ownership of the Common Elements shall be vested in the Association.

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

7. **Ownership of Interests in the Association.** The percentage ownership in the Association for each Unit is its Allocated Interest. The Allocated 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 he 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.

8. **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 shall extend not only to each Unit Owner, but also to his agent, servants, tenants, family members, customers, invitees, and licenses. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements attributable to the Unit.

9. **Storage Areas, Driveways and Parking Spaces.** No storage units or areas shall be permitted upon the Property outside any Unit, excepting only those areas under the control of the Developer. Except as otherwise specified on the Plat, parking areas and/or driveways on the Property shall be part of the Limited Common Elements, and shall be used by each respective Unit Owner (s) and subject to the Rules and Regulations of the Association.

10. **Administration of Common Elements**

(a) 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 (which expenses are herein sometimes referred to as "common expenses"), including, but not limited to, the maintenance and repair of the Property and any and all replacements and additions thereto. Such proportionate share of the common expenses for each Unit Owners shall be in accordance with his Allocated Interest. Provided, however, the expense for garbage collection shall be a common expense for Units 1, 2, 3 and 4. Unit 5 shall be solely responsible for its garbage collection. The payment of common expenses shall be in such amounts and shall be payable at such times as determined in the manner provided in the By-Laws. No Unit Owner shall be exempt from payment of his equal share of the common expenses by waiver or nonuse of enjoyment of the Common or Limited Common Elements or by abandonment of his Unit. If any Unit Owner shall fail to make such payment for common expenses when due, the amount thereof, together with interest thereon at the highest rate allowed by law

from the date that said common expenses become due and payable, plus reasonable attorney's fees incurred by the Association in the collection thereof or the enforcement of the lien herein provided, shall constitute a lien on the interest of such Unit Owner in his Unit and the Property as provided in the Act. Except for a foreclosure sale described in subsection (b) below, the sale or conveyance of a Unit shall in all cases be subject to all unpaid assessments against the Unit Owner thereof for his pro rata share in the common expenses, and if the same are not paid by the owner thereof prior to any sale or conveyance, shall be a lien against the Unit. Likewise, all taxes and other levies and assessments by governmental taxing bodies shall be a lien against individual Units.

Notwithstanding the foregoing, Developer shall not be required to pay any assessments for common expenses in respect of Units owned by it prior to the sale of all Units; provided, however, that subsequent to the date of Recording of this Declaration but prior to the sale of all Units, Developer shall fund any deficit in the operations of the Association after application of available funds from assessments for common expenses in respect of Units previously sold. After the sale of all Units, Developer shall have no responsibility for the maintenance, repair or replacement of any of the Common Elements except for its responsibilities as a Unit Owner as provided herein; however, should Developer advance any of its own funds for such expenses, it shall be entitled to a credit for all sums so paid against the assessments that it is required to pay as a Unit Owner.

(b) 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.

11. **Mortgages and Deeds of Trust.** Each Unit Owner shall have the right, subject to the provisions herein, to mortgage his Unit together with his respective ownership interest in the Association. No Unit Owner shall have the right or authority 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.

12. **Separate Real Estate Taxes.** Real estate taxes shall 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 that such taxes for any year 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 Allocated Interest in the Association, and, in said event, such taxes shall be a common expense.

13. **Insurance.**

(a) Association Insurance. The Board, in its discretion, may obtain insurance for the Common Elements, if applicable, exclusive of the Units, Private Elements and/or Limited Common Elements, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage

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provisions, for the full insurable replacement cost of the Common Elements, and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the Common Elements, or any part thereof, to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board, as the Trustee for the Unit Owner in proportion to the Unit Owners' respective percentages of ownership in the Association, as set forth in this Declaration, and for the holders of mortgages on the Units, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against the Unit Owners. The premiums for such insurance shall be a common expense.

In the event of damage to or destruction of any Common Elements as a result of fire or other casualty covered by insurance proceeds (unless more than two-thirds (2/3) of all buildings require reconstruction), the Board shall, in its sole and absolute discretion, determine and without intervention of any Unit Owner arrange for the prompt repair and restoration of the damaged portions of all Common Elements substantially in accordance with the original plans and specifications therefore. Where the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid by all Unit Owners with each Unit Owner to bear an equal proportion thereof. The Board shall not be responsible for the repair, replacement or restoration of any Unit or Private Elements for which the responsibility of maintenance and repair is that of a Unit Owner, or for furniture, furnishings, fixtures, appliances, or equipment installed in

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the Unit by a Unit Owner or occupant.

The Board shall obtain comprehensive public liability insurance with limits of liability that shall be at least One Million Dollars ($1,000,000.00) for personal injury or death and Five Hundred Thousand Dollars ($500,000.00) for property damage arising out of a single insurance, 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.

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

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

(b) Unit Insurance. Each Unit Owner shall be responsible for obtaining his own

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insurance on his Unit, contents of his Unit and the Limited Common Elements serving his Unit, as well as his additions and improvements thereto, and those parts of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner, and for decorations, furnishings, and personal property therein, and personal property stored elsewhere on the Property including the following:

(i) Property insurance for the full insurable replacement value of the insured property, without deduction for depreciation (i.e., one hundred percent (100%) of current "replacement cost" exclusive of land, foundations, excavation and other items normally excluded from coverages.

(ii) Comprehensive liability insurance withs limits of liability that shall be at least One Million Dollars ($1,000,000.00) for personal injury or death and Five Hundred Thousand Dollars ($500,000.00) for property damage arising out of a single occurrence.

(iii) The Owner of Unit 5 shall maintain comprehensive general liability insurance with limits of liability that shall be at least Two Million Dollars ($2,000,000.00) for personal injury or death and One Million Dollars ($1,000,000.00) for property damage arising out of a single occurrence.

14. **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.

Except to the extent hereinafter set forth, maintenance of, repairs to and replacements within the Common Elements shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of the common expenses. The expenses for the maintenance, repair or replacement of a Unit's roof, water heater, furnace, air conditioner, heating, and air conditioning ducts, and plumbing and electrical wiring and other items including, but not limited to the Limited Common Elements, serving only such Unit, shall be borne by the Unit Owner to which such Limited Common Elements are appurtenant.

If, due to the act or neglect of a Unit Owner, or of his agent, servant, tenant, family member, invitee, licensee or household pet, 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 authorized representatives of the Association, Board, or of the Managing Agent with approval of the Board, shall be entitled to reasonable access to the Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or Limited Common Elements in the event of an emergency, or, if applicable, in connection with maintenance of, repairs to, or replacements within the Common Elements or Limited Common Elements, or to make any alteration required by any governmental authority.

15. **Alterations, Additions or Improvements.** Except as provided in paragraph No. 16 herein,

no alteration of any Common Element, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize alterations, additions and improvements of the Common Elements as provided in the By-Laws. Any Unit Owner may make alterations, additions, or improvements within his Unit without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements. Any alteration and/or maintenance made 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.

16. **Decorating.** Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his Unit and Limited Common Elements serving his Unit as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting, and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings of his Unit and such Unit Owner shall maintain said interior surfaces in good conditions at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, but each Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. All 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.

17. **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.

18. **Use and Occupancy Restrictions**. The property may be used for those purposes for which the Property was designed and as allowed in the Final Specific Plan No. 2021 SP-013-001 as approved by the Planning Commission for the Metropolitan Government of Nashville and Davidson County, Tennessee. Units 1, 2, 3 and 4 are subject to the home occupation standards set forth therein and attached hereto as Exhibit "F" and Unit 5 is subject to the permitted uses set forth in Exhibit "F".

The Common Elements shall be used only by Unit Owners and their agents, servants, tenants, family members, customers, invitees, and licensees for access, ingress to, and egress from the respective Units and for such other 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.

19. **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 (either by his own conduct or by the conduct of any Occupant of his Unit), the Association, or its successors or assigns, shall have each and all of the 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 and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, 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 Paragraph No. 19, or for any combination of remedies, or for any other relief. All expenses in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the 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 defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of 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, to the extent hereinafter set forth in Paragraph No. 10(b) hereof. In the event of any such 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. This Paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgage and deed of trust liens against the Units.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration: (a) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, or any portion of the property

upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

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

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

20. **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 Unit Owners with a Majority of the Allocated Interests; provided, however, that all lien holders or record have been notified by certified mail of such amendment, and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument.

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 Tennessee holding office as of the date of this Declaration.

22. **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 jurisdiction, 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 which are more than administrative in nature such as, but not limited to, reservations and future rights of Developer are hereby incorporated into and made a part of this Declaration by reference. All rights, benefits and privileges hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the 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 front 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.

23. **Condemnation.** In the event of a taking of part of the Common Elements in condemnation or by eminent domain, the award made for such taking shall be payable to the Association. If a majority of the Board in their sole and absolute discretion approve the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event the Board does not approve the repair and commence restoration of such Common Elements within one hundred twenty (120) days after taking by the public or private authority the Board shall disburse the net proceeds of such award on the basis of such Unit's percentage of ownership in the Common Elements.

24. **Rights Reserved.** 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 the enjoyment rights of any member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations;

(b) The right of the Association to 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

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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.

25. **Rights of Mortgagees**

(a) Definitions

(ii) "Mortgage" shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance of a Unit for the purpose of securing the performance of an obligation including, but not limited to, a transfer or conveyance of fee title for such purpose that has been duly recorded in the Register of Deeds Office for Davidson County, Tennessee.

(ii) "Mortgagee" or "Mortgage Holder" shall mean the holder of any Mortgage.

(b) Additional Rights of Mortgage Holders and Other Parties. The following provisions are intended for the benefit of each Mortgage Holder, and to the extent that any other provisions of this Declaration conflict with the following provisions, the following provisions shall control:

(i) Consent of Mortgagees Required for Certain Material Changes. In addition to any other provisions of this Declaration that set forth particular

requirements for amendment of Declaration, the consent of Mortgagees that represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Mortgagees shall be required (i) for any amendment to this Declaration which is of a material adverse nature to the rights of Mortgagees; or (ii) to otherwise add or amend any provisions of this Declaration which establish, provide for, govern or regulate any of the following changes:

1. Reallocation of interests in the Common Elements or Limited Common Elements, rights to their use;

2. Redefinition of any Unit boundaries;

3. Any provision that expressly benefit mortgage holders, insurers, or guarantors;

4. Voting rights;

5. Reduction in reserves for maintenance, repair and replacement of Common Elements;

6. Insurance or fidelity bonds;

7. Responsibility for maintenance or repair of the Property;

8. Leasing of Units (including, without limitation, modifying or imposing restrictions on leasing Units)

9. Impositions of any restriction on the transfer of a Unit;

10. Restoration or repair of the Property (after damage or partial condemnation) in a manner other than that specified in the Declaration;

11. Any provisions that expressly benefit mortgage holders,

insurers or guarantors; and

12. Termination of the legal status of the Property after substantial destruction or condemnation.

Notwithstanding the foregoing, the Horizontal Property Regime may not be terminated except with the written approval of Mortgagees that represent at least sixty-seven percent (67%) of the votes of Units that are subject to mortgages.

(c) Notice to Mortgagees and Guarantors. Each Mortgagee, insurer or guarantor of a mortgage on a Unit, shall be furnished written notice by the Association in the event of the occurrence of:

(i) any material damage to or destruction of the Units or Common Elements (for such purposes, any damage or destruction affecting any portion of the Common Element to the extent of Ten Thousand Dollars ($10,000.00) or more of their value, or, if damage, destruction or taking shall occur to a Unit, to the extent of One Thousand Dollars ($1,000.00) of its value or more, shall be deemed material);

(ii) any condemnation proceeding affecting the Unit or any material portion of the Condominium;

(iii) any delinquency of sixty (60) days or more in the payment of Assessments or other charges owed by the Owner of any Unit on which such Mortgage Holder holds a mortgage;

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

(v) any proposed action which would require the consent of a specified

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number of Mortgagees pursuant to the terms of this Declaration.

(d) First Mortgagee's Rights Confirmed. Notwithstanding any provision of this Declaration or the Bylaws to the contrary, first Mortgagees shall have the following additional rights:

(i) The distribution to a Unit Owner of insurance proceeds of any condemnation award for losses to or a taking of a Unit or Common Elements shall at all times be subject to the terms of the first Mortgage Holder's mortgage, and no provision hereof shall be deemed to give a Unit Owner or any other party priority over any rights of the first Mortgagees of Units pursuant to their mortgages in respect to the distribution of such awards or proceeds.

(ii) Any first Mortgagee who obtains title to a Unit through foreclosure or pursuant to the remedies under its first on such Unit shall not be liable for any Assessments other than six (6) months (or less) of the Unit's unpaid general Assessments, together with the costs of collecting such unpaid general Assessments as is permitted hereunder.

(iii) The right to examine current copies of this Declaration, the By-Laws, the Charter, rules and regulations and the books, records and financial statements of the Association during normal business hours.

(iv) The right to receive, without any charge and within a reasonable time after such request, the annual financial statement which is prepared and distributed by the Association to the Unit Owners at the end of its fiscal year, and if expressly requested by any of the agencies or

corporations which has an interest or prospective interest in the Condominium (HUD, FNMA, FHLMC, or VA) an audited financial statement for the immediately preceding fiscal year.

(e) Deemed Approval by Mortgagees. Any Mortgagee who receives a written proposal to approve amendments or other actions requiring the consent of Mortgagees and fails to deliver or mail to the requesting party a negative response within sixty (60) days following receipt of notice of such proposal shall be deemed to have approved such request, provided that the notice was delivered by certified or registered mail, "return receipt requested."

(f) No Impairment of Mortgagees' Rights. Notwithstanding anything to the contrary herein contained, no restriction on leasing Units shall apply to impair the right of any Mortgagee to:

(i) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or

(ii) take a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or

(iii) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

(g) Notice to Association. Upon request, each Unit Owner shall be obligated to furnish to the Association the name and address of any Mortgagee encumbering such Owner's Unit.

26. **Trustee as Unit Owner.** In the event title to any Unit is conveyed to a land title-holding trust, under the terms of which all powers of management, operation, and control of the Unit

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remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this declaration against such Unit. No claim shall he made against any such title-holding trustee personally for payment of any lien or obligation hereunder created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

27. **Notices.** Notices provided for in the Act, Declaration or By-Laws shall be in writing and shall be addressed to the Association at 404 Taylor Street, Nashville, Tennessee 37208, or any Unit Owner at the address of the Unit or at such other address as hereinafter provided. The Association may designate a different address or addresses for notices to it by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or 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 he given a copy of all notices permitted or required by this Declaration to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

28. **Severability.** If any provision of this Declaration or By-Laws, or any section, sentence,

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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.

29. **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,

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

Signature appears on the following page.

IN WITNESS WHEREOF, the Developer has executed this Declaration on the day and year first above written.

Martin Construction Company

By: _____

Jeffrey A. Zeitlin, President

STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

Personally appeared before me, a Notary Public in and for the County and State aforesaid, Jeffrey A. Zeitlin, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged he is the President of Martin Construction Company, a Tennessee corporation, the within named bargainor, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Witness my hand and seal, at office in Davidson County, Tennessee, this the 18th day of July, 2022.

_____

Notary Public

My Commission Expires: 3/6/24

GEORGE E. MUDTER, JR.
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY

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EXHIBIT "A"

TO THE DECLARATION

FOR

SALEMTOWN COURT CORPORATION

Land situated in the 19th Council District of Davidson County, Tennessee, being all of lot 424 & part of lot 464 on the Map of North Nashville Real Estate Company's Plan, of record in Plat Book 21, Page 105, in the Register's Office for Davidson County, Tennessee, (R.O.D.C., TN), and is more particularly described as follows;

Commencing at the approximate intersection of 5th Avenue North and Buchanan Street, in a northwesterly direction 45.9+/- feet to mag-nail set by Dale and Associates, at the northwest corner of said intersection, at approximate Tennessee state plane coordinate location of, N:674,637.70 E:1,734,225.19, at the southeasterly most corner of the subject property and being the point of beginning of herein described Land;

thence with the northerly margin of Buchanan Street, South 61°41'07" West, a distance of 172.48 feet to a iron rod found, by Delle Land Surveying, at the northeast margin of Alley number 207;

thence with the easterly margin of the alley, North 43°56'35" West, a distance of 58.01 feet to a iron rod found, by Delle Land Surveying, at the south east corner of James P. Page & Lindy L. Page of record in instrument number 20170619-0061026, R.O.D.C., TN;

thence with Pages southeasterly line, North 45°46'29" East, a distance of 165.74 feet to a 5/8" iron rod set, by Dale and Associated, on the southwest margin of 5th Avenue North;

thence with the westerly line of 5th Avenue North, South 44°08'35" East, a distance of 105.29 feet to the point of beginning of herein described land, having an area of 13542.33 square feet or 0.31 acres more or less;

This description was taken form a Boundary & Topographic, by Dale and Associates under project number 20180, dated May 3, 2021, and the legal description was written by Steven C. Matthews, Tennessee Registered Land Surveyor Number 2352, on July 13, 2022;

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EXHIBIT "B"

TO THE DECLARATION

FOR

SALEMTOWN COURT CORPORATION

(Plat)

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OWNER:
MURPHY, KRISTIAN B.

ADDRESS: 1803 5TH AVENUE NORTH

NASHVILLE, DAVIDSON CO, TN 37208

LOT 462 PT 464 NORTH NASH
REAL ESTATE CO

PARCEL ID: 08105025300

QC-20060824 0104331

DATE: 06-22-2022

D&A JOB NUMBER: 20180

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"

MICHAEL CHRISTOPHER CARRIGAN
REGISTERED ENGINEER
AGRICULTURE
COMMERCE
NO. 00110126
STATE OF TENNESSEE
6/22/22

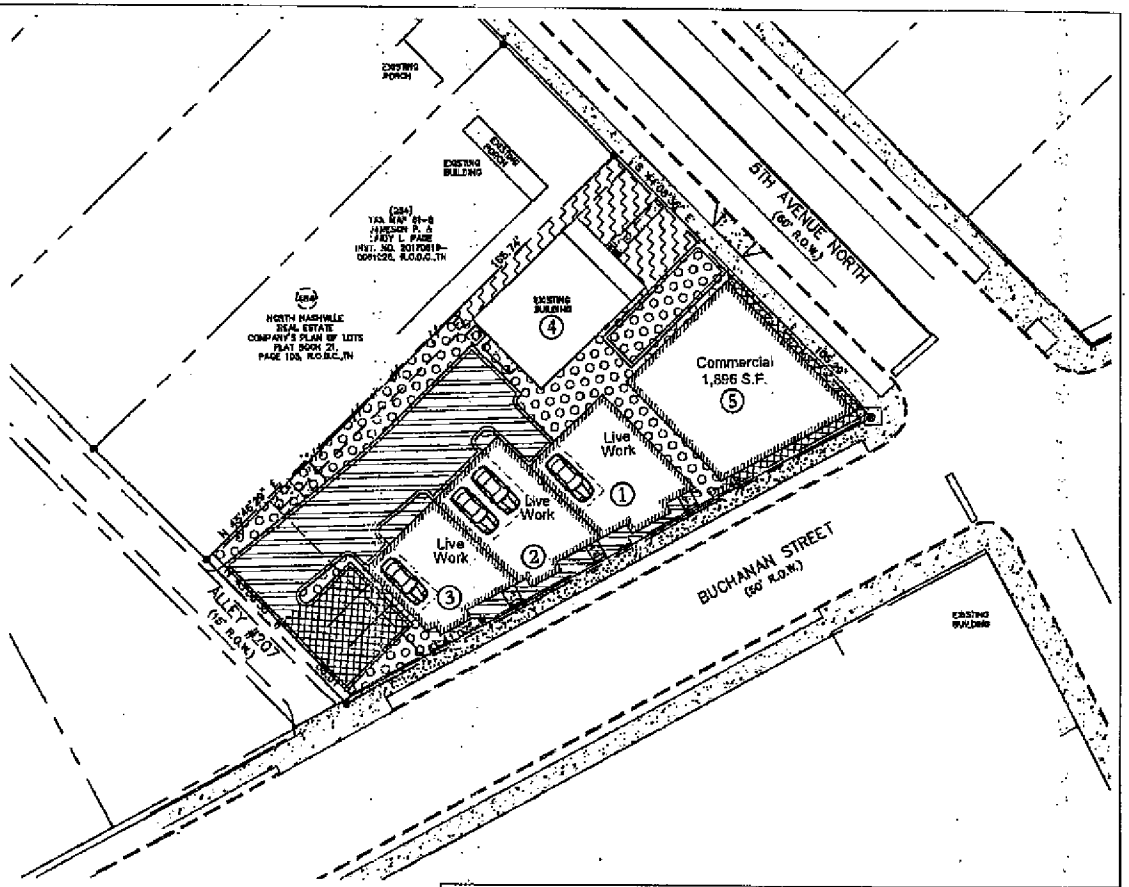
Private Element

Common Element

Limited Common Element -Existing Building

Limited Common Element -Unit 5

Limited Common Element -Live Work



40 0 40
Scale 1" = 40'

1803 5th AVENUE NORTH
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

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"EXHIBIT C"

BY LAWS

OF

SALEMTOWN COURT CORPORATION

ARTICLE I

Association of Unit Members

Section 1. Eligibility. The Members of Salemtown Court Corporation. a Tennessee not for profit corporation, shall consist of the Unit Owners of the Property known as Salemtown Court, Tennessee (the "Property"). If a Unit Owner is a trust, then the member shall be a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, the member may be an officer, partner or employee of such Unit Owner or beneficiary.

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

Section 3. Annual Meeting. The annual meeting of the Association (except for the First Annual Meeting, as hereinafter defined) shall be held on the first Tuesday of the second calendar month following the close of the Association's fiscal year. The first annual meeting of the Association (the "First Annual Meeting") will be called by Developer at such time as, in its discretion, it deems best, but in no event shall such meeting take place later than the date of the closing of the sale by Developer of the last Unit owned by Developer.

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Section 4. Special Meeting. Special meetings may be held at any time upon the call of the President or upon the written demand by the Unit Owners of at least fifty percent (50%) of all the votes entitled to be cast at such a meeting, said written demand to be delivered to the Secretary. Upon receipt of such demand, the Secretary shall send out notices of the meeting to all members of the Association.

Section 5. Notice of Meetings. A written or printed notice of every meeting of the Association, stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the place, day and hour thereof and the purpose therefor, shall be given by the Secretary or the person or persons calling the meeting at least twenty (20) days before the date set for such meeting (but no more than sixty (60) days before such meeting). Such notice shall be given to each member in any of the following ways: (a) by any manner permitted under the Restrictions, or (b) by leaving the same with him personally, or (c) by leaving the same at the residence or usual place of business of such member, or (d) by mailing it, postage prepaid, addressed to such member at his address as it appears on the records of the Association, or (e) if such member cannot be located by reasonable efforts, by posting said notice on the entrance of each Unit. If notice is given pursuant to the provisions of this section, the failure or any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings at such meeting.

Section 6. Waiver of Notice. The presence of all the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall, at the opening of such meeting, object to the holding of the same for noncompliance with the provisions of Section 5 of this Article I. Any meeting so held without objection shall, notwithstanding the fact that no notice thereof was given, or that notice given was improper, be

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valid for all purposes, and at such meeting any general business may be transacted and any action may be taken; provided, however, that where a member has pledged his vote by mortgage, deed of trust or agreement of sale, only the presence of the pledgee will be counted in determining whether notice is waived with regard to business dealing with such matters upon which the member's vote is so pledged.

Section 7. Quorum; Voting. At any meeting of the Association, a Majority of the Unit Owners, present or by proxy, shall constitute a quorum, and, except as otherwise provided herein, in the Declaration or in the Act, the concurring vote of a Majority of the Unit Owners shall be valid and binding upon the Association. In the event a member has pledged his vote by mortgage, of trust or agreement of sale, the member's vote will be recognized in computing a quorum with respect to any business conducted concerning such matters upon which said member's vote is so pledged or mortgaged unless the mortgage, deed of trust or agreement of sale provides otherwise, in which event such instruments shall control. In the event of such mortgage or pledge, the Unit Owner shall provide the Association with a copy of the pledging or mortgaging instrument.

Section 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 Davison 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,

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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 pledge except as otherwise provided in Section 7.

Section 9. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the members present, whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted by a quorum at the meeting originally called.

ARTICLE II

Board of Directors

Section 1. Number and Qualification. The affairs of the Association shall be governed by a board of directors (the "Board of Directors" or the "Board") composed of three (3) persons, and all such directors shall be Unit Owners (or owners of an interest in a Unit).

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

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

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

(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 hereof for all Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that any management agreement relating to the Property shall be terminable for cause upon thirty (30) days' notice and shall have a term of not less than one (1) year no more than three (3) years, which term shall be renewable upon approval of the Board of Directors; and provided further, however, that any such management agreement entered into prior to the sale of all the Units by Developer shall be terminable by the Association without cause or penalty on ninety (90) days' prior notice.

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

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

(f) to provide for the surveillance, 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;

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

(k) to secure insurance policies as required by the Declaration, and in this regard, annually to review the amounts of coverage afforded by such policies.

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

(m) to exercise all other powers and duties of Unit Owners as a group referred to in the Act, or in the Declaration or these By Laws.

The Association shall not, in any event, be bound either directly or indirectly by any contract or lease entered into by the Developer on behalf of the Association (including but not limited to management contracts) unless such contract or lease has a term of one (1) year or less and contains a right of termination, which is exercisable without cause and without penalty at any time after passage of control from the Developer to the Association, upon not more than ninety (90) days' notice.

Section 4. Manager or Managing Agent; Employees Generally. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 3 of this Article. The duties conferred upon the Managing Agent by the Board of Directors may be at any moment revoked, modified or amplified by the vote of the Association in a duly constituted meeting. The Board of Directors and/or the Managing Agent (with the approval of the Board of Directors) may employ any other employees or agents to perform such duties at such salaries as the Board of Directors may establish. The Board of Directors may enter into such service contracts on behalf of the Association as are necessary and appropriate and shall have the authority, but not the obligation, to assume, on behalf of the Association, any initial service contracts entered into by Developer that comply with the requirements and limitations imposed herein.

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Section 5. Election and Term of Office. The directors of the Association shall be elected by the affirmative vote of not less than a majority of the Unit Owners. At the First Annual Meeting, the terms of office for the first board of directors (the "First Board") shall be fixed wherein one director shall serve for one year, one director shall serve for two years and one director for three years. At the expiration of the initial term of office of each respective director, his successor shall be elected by all those entitled to vote to serve a term of three years. The directors shall hold office until their successors have been elected and hold their first meeting.

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

Section 7. Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the elected directors may be removed with or without cause by not less than three-fourths (3/4) of the Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 8. Compensation. No compensation shall be paid to directors for their services as directors. No remuneration shall be paid to a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. A director may not be an employee of the Association.

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

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by not less than two-thirds (2/3) of the directors.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days' notice to each director, given personally or by mail, addressed to his residence, or by telephone, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of not less than two (2) directors.

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

Section 13. Board of Directors' Quorum. At all meetings of the board of Directors, two-thirds (2/3) of the directors shall constitute a quorum for the transaction of business, and the

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acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a different time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Bonds of Officers and Employees. The Board of Directors may require that all officers and employees (including without limitation any management agent) of the corporation handling or responsible for corporate funds shall be covered by blanket fidelity bonds naming the Association as obligee, which bonds shall be in an amount not less than one hundred fifty percent (150%) of the estimated annual operating expenses of the Property. Each such bond shall contain an agreement to notify the Board, the holder of a first mortgage or deed of trust on a Unit and every other person in interest who shall have requested such notice at least thirty (30) days' prior notice of any cancellation or material alteration of such bond. The premiums on such bonds shall be paid by the Association as a common expense of the Association.

ARTICLE III

Officers

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

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and further provided that no one person shall serve as both President and Secretary simultaneously.

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

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

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Treasurer. The 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.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of the Association; shall give all notices as provided by these 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.

Section 7. Auditor. The Association may at any meeting appoint some person, firm or corporation engaged in the business of auditing to act as auditor of the Association and to perform such audits and fiscal duties as may be requested of him by the Association.

ARTICLE IV

Assessments

Section 1. Annual Budget. The Board shall 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. To the extent that the assessments and other cash income collected from Unit Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account. The annual budget shall also take into account the estimated net available cash income for the year from the lease, operation or use of the Common Elements. The annual budget shall provide for a reserve for contingencies for the year and replacements, in reasonable amounts as determined by the Board.

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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 Unit 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 Unit Owner shall pay, as his respective monthly assessment for the common expenses, one twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget; provided, however, the Board may, in its discretion, provide for the payment of common expenses on a quarterly or annual basis. The proportionate share for each Unit Owner shall be based upon his 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 Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the Managing Agent or otherwise as directed by the Board. No Unit Owner shall be relieved of his obligation to pay any assessment by abandoning or not using his Unit, the Common Elements, or the Limited Common Elements.

Section 3. Partial Year or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his Unit, each Unit Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership

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interest in the Common Elements 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 practicable, the Board shall cause to be furnished to each Unit Owner a statement for such year, showing the receipts and expenditures and such other information as the Board may deem appropriate.

Section 5. Supplemental Budget. In the event that, during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget.

Section 6. Expenditures. Except for the Management Agreement described in Article II, Section 3(c) hereof and expenditures and contracts specifically authorized by the Declaration and By Laws, the Board shall not approve any expenditure in an amount in excess of ten percent (10%) of the annual budget for the then current year, unless required for emergency repair, protection or operation of the Common Elements or Limited Common Elements, nor enter into any contract for more than three (3) years, without the prior approval of three-fourths (3/4) of the total ownership in the Common Elements.

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Section 7. Lien. It shall be the duty of every Unit Owner to pay his proportionate share of the common expenses as provided in the Declaration, and as assessed in the manner herein provided.

If any Unit Owner shall fail or refuse to make any such payment of assessments when due, such delinquent payment shall be subject to a late charge in an amount established by the Board, and such delinquent payment shall also bear interest at the highest rate allowed by applicable law. Such delinquent payment, together with penalty and interest, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Unit Owner in the Property.

The Association, or its successors and assigns, acting through the Board of its agents, shall have the right to maintain a suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with legal interest and reasonable attorney's fees. The Association, acting through the Board, shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Act, the Declaration, or these By Laws, or as are otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 8. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in chronological order of its receipts and expenditures affecting the Common Elements, specifying and itemizing the common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine.

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The Board shall, upon receipt of ten (10) days' written notice to the Association and upon payment of a reasonable fee, furnish to any Unit Owner a statement of his account setting forth the amount of any unpaid assessment or other charges due and owing from such Unit Owner.

Section 9. 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 Unit. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorney's fees, incurred by reason of such lien.

Section 10. 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 Unit 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 Unit Owners in the percentages of ownership of the Common Elements.

Section 11. Working Capital. A working capital fund shall be maintained by the Association during the initial months of the Property's operation, in an aggregate amount equal to at least two months' assessments for each Unit. Each Unit's share of the working capital fund must be collected and transferred to the Association at the time of the closing of the sale of each Unit and maintained in an account for the use and benefit of the Association. The Developer, however, shall not be required to make contributions to the working capital fund. The purpose of the working capital fund is to ensure that the Association will have cash available to meet

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unforeseen expenditures, and/or to acquire additional equipment or services deemed necessary or advisable by the Board, and disbursements from such fund shall be made as directed by the Board. Amounts paid into the working capital fund shall in no event be considered advance payment(s) of monthly assessments.

Prior to the sale of all Units by the Developer, the Developer shall not use the working capital funds to defray its own expense, or construction costs, or to make up any budget deficits. When, however, unsold Units are sold, the Developer may use funds collected at closing for the working capital fund to reimburse itself for any sums it has paid the Association for unsold Units' shares of such fund.

ARTICLE V

Use and Occupancy Restrictions

Section 1. General. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others.

Section 2. Maintenance and Repair.

(a) Every 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 the damages and liabilities that his failure to do so may cause.

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

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(c) A Unit Owner shall reimburse the Association for any expenditure incurred in repairing or replacing any Common Elements damaged through the Unit Owner's fault, together with a fee equal to twenty percent (20%) of the cost of any such repair or replacement.

Section 3. Use of Units. All units shall be used in accordance with the provisions of the By-Laws, the Declaration and the Rules and Regulations.

Section 4. Leases. All leases or rental agreements for Units shall be in writing and must be specifically subject to the Declaration and By-laws. A copy of every such lease, as and when executed, shall be furnished to the Board. No Unit may be leased or rented for a period of less than six (6) months. The lessee under every such lease shall be bound by and subject to all of the obligations under the Declaration and By Laws, of Unit Owner making such lease and the lease shall expressly so provide. Any Unit Owner making such lease shall not be relieved thereby from any of said obligations. The Board shall have all the authority in its sole discretion to require at any time that any Unit Owner who is leasing his Unit, place on deposit with the Board such sums as the Board may require and determine to be used as an indemnity against loss or damage to the Common Elements which might be caused by such Unit Owner's lessee. The terms of the indemnity shall be such terms as might be satisfactory to the Board. The Board shall furnish Unit Owner a notice in writing which shall constitute that Unit Owner's notice to make such deposit. In the event Unit Owner fails to comply with the terms of the notice within ten (10) days from the date the notice is mailed to him, the Board at its option may elect to terminate the subject lease. The Board shall give Unit Owner and his lessee notice of such election in writing.

Section 5. Use by Developer. During the period of sale by Developer of any Units, Developer, Developer's agents, employees, contractors and subcontractors, and their respective

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agents and employees, shall be entitled to access, ingress to and egress from the Buildings and Property as may be required for the egress for purposes of sale of Units. In addition, Developer reserves the right to enter into, upon, over and under any Unit for a period of one (1) year after the date of sale of the Unit for such purposes as may be reasonably necessary for Developer or its agents to service any Unit. While Developer owns any of the Units and until each Unit sold by it is occupied by Purchasers, Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection herewith.

Section 6. Rules and Regulations. In order to assure the peaceful and orderly use and enjoyment of the Buildings and Common Elements of the Property, the Association may from time to time adopt, modify and revoke in whole or in part by a vote of not less than a Majority of the members at any meeting duly called for the purpose, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons in said Property as it may deem necessary. The Rules and Regulations, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Unit Owner and shall be binding upon all members and occupants of the Property.

The initial Rules and Regulations shall be these:

1. No exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Unit Owner in any manner without the prior consent of the Board.

2. No furniture, equipment or other personal articles shall be placed in the entrances to the Units other than in enclosed balconies and patios.

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3. No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants of any of the Units 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.

4. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

5. All garbage, refuse, and ashes from the Units shall be deposited with care in receptacles intended for such purpose only at such times and in such manner as the Board or the Managing Agent shall direct.

6. All patios shall be maintained neatly and cleanly.

7. Caged birds or animals, house cats, and dogs under 80 pounds may be kept in a Unit Owner's Unit unless the same shall become a nuisance or disturbance to other Unit Owners. All Unit Owners shall obey all applicable leash laws, will not allow their pets to run loose at any time, and will not leave them tied up outside their Units.

8. No radio, television aerial or satellite dish shall be attached to or hung from the exterior of the Units without written approval of the Board.

9. All damage to the Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

10. No Unit Owner shall use or permit to be brought into his Unit any inflammable oils or fluids such as gasoline, kerosene, naphtha or benzine, or other explosives or articles

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deemed extra hazardous to life, limb or property, without in each case obtaining the written consent of the Board.

11. The Unit Owners must keep the interiors of their Units clean and free from obstructions.

12. Unit Owners shall be held responsible for the actions of their employees, invitees, licensees, visitors, clients, patients or guests.

13. No Unit shall be used or occupied in such manner as to obstruct or interfere with the enjoyment of Occupants, or other residents of adjoining Units; nor shall any nuisances or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

Section 7. Remedies. In the event of any violation of the provisions of the Act, the Declaration, these By-Laws or the Rules and Regulations by any Unit Owner (either by his own conduct or by the conduct of any occupant of his Unit), the Association, or its successors or assigns, shall have each and all of the rights and remedies that may be provided for in the Act, the Declaration, these By-Laws and/or the Rules and Regulations, or that may be available at law or in equity.

ARTICLE VI

Amendments

These By Laws may be amended, modified or revoked in the same manner as the Declaration, PROVIDED, HOWEVER, that 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

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no modifications of or amendment to these By-Laws shall be valid unless set forth in an amendment to the Declaration.

ARTICLE VII

Liability of Officers, Directors and Members;

Indemnification

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

Section 2. General. To the extent permitted by law, the Association shall indemnify and hold harmless each of its Directors and officers, each member or any committee appointed pursuant to these By Laws, against all contractual and other liabilities to others arising out of contracts made by, or other acts of such Directors, officers, or committee members on behalf of Unit Owners, or arising out of their status as Directors, officers, or committee members, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or otherwise, in which any such Director, officer, or committee member may be involved by virtue of such person's being or having been such Director, officer, or committee member, provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud

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in the performance of his duties as such Director, officer, or committee member, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person's being adjudged liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member.

Section 3. Success on Merits. To the extent that a member of the Board, or an officer of the Association, or a member of any committee appointed pursuant to these By Laws has been successful on the merits or otherwise defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

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

Section 5. Miscellaneous. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article; provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the Directors, officers, or members of such committees, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of

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all Unit Owners in the Common Elements. Every agreement made by the Directors, officers, or members of such committees, or by the Managing Agent on behalf of Unit Owners shall provide that the Directors, officers, or members of such committees, or the Managing Agent, as the case may be, are acting only as agents for Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percent interest of all Unit Owners in the Common Elements. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association, or disinterested members of the Board or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be a member of the Board, officer of the Association, or member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

ARTICLE VII

Books and Records

Current copies of the Declaration, these By-Laws, other rules and regulations concerning the Property, and the books, records and financial statements of the Association shall be available for inspection by any Unit Owner or by any holder, guarantor or insurer of any first mortgage or deed of trust covering a Unit at the principal office of the Association. For purposes of this paragraph, "available" shall mean available for inspection, upon request, during normal business hours. Copies may be purchased by such persons at reasonable cost, to be established from time to time by the Board.

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ARTICLE IX

Definition of Terms

The terms used in these By Laws, to the extent they are defined therein, shall have the same meaning as set forth in the Declaration for 1803 5th Avenue Commons, of record in the Office of the Register of Davidson County, Tennessee.

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

ARTICLE X

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 of the Declaration, as the case may be, shall control.

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EXHIBIT "D"

TO THE DECLARATION

FOR

SALEMTOWN COURT CORPORATION

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 Salemtown Court 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 1803 5th Avenue North. The required documents are as follows:

(1) Declaration of Covenants, Conditions and Restrictions for 1803 5th Avenue North, a horizontal property regime with private elements;

(2) Site Plan for Salemtown Court showing private and common elements, appended thereto as Exhibit "B"; and

(3) By-Laws of Salemtown Court Corporation, appended thereto as Exhibit "C";

(4) Charter of Salemtown Court 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.

Signature appears on the following page.

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

This 18th day of July, 2022.

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 18th day of July, 2022.

Alice J. Stewart
Notary Public

My commission expires 7/26/25



EXHIBIT "E"

TO THE DECLARATION

FOR

SALEMTOWN COURT CORPORATION

ALLOCATED INTERESTS

UNIT NO.	Percentage Interest in Common	Size of Unit	Votes
1	25.91	2,391	1
2	21.90	2,021	1
3	20.73	1,913	1
4	10.92	1,008	1
5	20.54	1,896	2
TOTALS	100.00%	9.229	6

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EXHIBIT "F"

TO THE DECLARATION

FOR

SALEMTOWN COURT CORPORATION

1. The home occupation shall be conducted in a dwelling unit by one or more occupants of the dwelling unit. Clients may be welcome on the property between the hours of 8:00 A.M. and 7:00 P.M. only. No more than one part-time or full-time employee not living within the dwelling may work at the home occupation location.

2. The home occupation shall not occupy more than five hundred square feet of floor area.

3. The home occupation shall be advertised by a display sign that is no larger than one square foot. Display signs shall not be illuminated and must meet all sign material requirements of the specific plan.

4. The use of mechanical or electrical equipment shall be permitted in connection with a home occupation provided such equipment:

A. Would be used for purely domestic or household purposes;

B. Is located entirely within the dwelling unit or accessory building and cannot be seen, heard or smelled from outside the dwelling unit or accessory building and has an aggregate weight of less than five hundred pounds, and;

C. Does not interfere with radio and television reception on neighboring properties;

5. The storage of materials or goods shall be permitted in connection with a home occupation provided such storage complies with the following standards:

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A. All materials or goods shall be stored completely within the space designed for home occupation activities.

B. Only those materials or goods that are utilized or produced in connection with the home occupation may be stored within the dwelling unit or accessory building.

C. All materials or goods shall be stored completely within the dwelling unit or accessory building.

D. All flammable or combustible compounds, products or materials shall be maintained and utilized in compliance with fire code NFPA-30.

6. External structural alterations not customary in residential buildings shall not be permitted.

7. Offensive noise, vibration, smoke, dust or other particulate matter, odorous matter, heat, humidity, glare or other objectionable effects shall not be permitted.

8. The manufacture of repair or transportation equipment shall not be permitted as a home occupation.

9. Vehicles associated with the home occupation shall be limited to one vehicle with a maximum axle load capacity of one and one-half tons.

10. Existing house can be used as residential unit or as inventory stock and support services for retail. Unit shall not serve as a public or client space. If existing house is used as support services to retail, no more than two part-time or full-time employees not working within the retail space may work at the existing house location.

Permitted Uses for Unit 5

1. General Office

2. Personal Care Services

3. Medical Offices

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4. Day Care Center

5. Religious Institution

6. Restaurant (Full Service, Fast-Food, and Take-Out)

7. Grocery Store

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TRUE COPY CERTIFICATION

I, George E. Mudter, Jr., 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 on 7/18/22.

George E. Mudter, Jr.
Dated 7/18/22

State of Tennessee
County of Davidson

Personally appeared before me, Stacy L. Thomas, a notary public for this County and State, George E. Mudter, Jr., who acknowledged that this certification of an electronic document is true and correct and whose signature I have witnessed.

Notary Public
Dated 7/18/22

My commission expires 10/2/2023

