

45 PGS:AL-RESTRICTIVE COVENANTS	
MISTY BATCH: 477033	
03/01/2021 - 11:00 AM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	225.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	227.00
STATE OF TENNESSEE, WILSON COUNTY	
JACKIE MURPHY	
REGISTER OF DEEDS	

This instrument prepared by:

Cindy S. Smith, P.C.
Attorney at Law
P.O. Box 292004
Nashville, TN 37229-2004

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR STEWARTS LANDING, PHASE I

This Declaration of Covenants, Conditions, and Restrictions for Stewarts Landing, Phase 1 is made as of the date set forth on the signature page hereof by KDS Investments General Partnership, a Tennessee General Partnership ("Declarant or Developer").

RECITALS

WHEREAS, Declarant owns certain real estate in Wilson County, Tennessee ("Development Property"), as more particularly described on **Exhibit A** attached hereto, and desires to subdivide, develop and plat the Development Property into single family residential lots; and

WHEREAS, Developer may annex additional areas and/or purchase additional property adjacent to the Development Property and add same to the Development Property as future phases of the proposed development thereon (the "Future Phase Property") and subject the Future Phase Property to this Declaration; and

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

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

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

DECLARATION

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

Article I
DEFINITIONS

The terms in this Declaration and the attached exhibits and other Governing Documents shall generally be given their commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1. **Administrative Functions.** "Administrative Functions" shall mean and refer to all functions of, for, and on behalf of the Association that are necessary or proper under this Declaration, including, without limitation: (a) providing management and administration of the Association; (b) providing development review, control, and approval functions; (c) incurring reasonable attorneys' fees and accountants' fees; (d) obtaining insurance and bonds; (e) paying real estate, personal property, or other taxes levied against the Development Property; (f) incurring filing fees, recording costs, and bookkeeping fees; (g) obtaining and maintaining offices and office furniture and equipment; and (h) performing all other reasonable and ordinary administrative tasks associated with the operation of the Association.

2. **Appointment Period.** "Appointment Period" shall mean and refer to the period of time commencing as of the date of the recordation of this Declaration and continuing until the earlier of: (a)

the date which is the twenty-fifth (25th) anniversary of the date of recordation of this Declaration; (b) the date all subdivision construction and development bonds, letters of credit or other sureties in favor of any governmental entity with jurisdiction over the Development Property have been fully and finally released; or (c) any such earlier date as Declarant, in its sole discretion, elects to terminate the Appointment Period by Recording a Notice of such termination.

3. **Assessment.** "Assessment" shall mean and refer to: (a) Common Assessments, (b) Working Capital Fund Assessments, (c) Special Assessments, and (d) Reimbursement Assessments, all of which are further defined herein. Assessment shall include all costs and reasonable attorney's fees incurred in the enforcement thereof and shall additionally include interest thereon.

4. **Assessment Year.** "Assessment Year" shall mean and refer to the calendar year or such other period of twelve consecutive calendar months selected by the Board for the levying, determining, or assessing of the annual Assessments under this Declaration.

5. **Association.** "Association" shall mean and refer to Stewarts Landing Owners Association, Inc., a Tennessee non-profit corporation, its successors and assigns. Each Owner shall be a Member of the Association.

6. **Board.** "Board" shall mean and refer to the body, regardless of name, designated in the Declaration to act on behalf of the Association.

7. **Budget.** "Budget" shall mean and refer to a written, reasonably itemized estimate of the expenses to be incurred by the Association in the performance of its functions under this Declaration. A Budget will be prepared each Assessment Year prior to the commencement thereof as further provided herein.

8. **Builder.** "Builder" shall mean and refer to any Person who is in the business of constructing single family residences and who acquires any Lot within the Development Property for constructing homes upon any Lot for sale to a third-party customer of the Builder.

9. **By-Laws.** "By-Laws" shall mean and refer to the By-Laws of the Association attached hereto as **Exhibit B** and made a part hereof, as may be amended from time to time.

10. **Common Area.** "Common Area" shall mean and refer to any and all property and/or facilities on or within the Development Property owned by and/or reserved for maintenance by the Association and such other property as shall become the responsibility of the Association through easements or otherwise, including all open space, walking trails, entrances, rights-of way, sign easements, landscape easements, recreational areas, maintenance facilities, and surface water detention facilities or other bodies of water, as shown on any current and future Plat. All Common Areas shall be maintained and landscaped by the Association and shall be reserved for the non-exclusive use, benefit, and enjoyment of the Owners and their family members, invitees, agents, and servants, subject to the conditions, restrictions, and limitations imposed by this Declaration.

11. **Declarant.** "Declarant" shall mean and refer to **KDS Investments General Partnership**, a Tennessee general partnership, its successors and assigns, provided such successors and assigns are designated in writing by Declarant as a successor or assignee of the rights of Declarant set forth herein. Declarant may and shall have the right to assign all or a portion of its rights, powers, easements and privileges under this Declaration, as further set forth and reserved to Declarant. In the event of a partial assignment, the assignee shall not be deemed the Declarant but may and shall have the right to exercise such rights, powers, easements and privileges of the Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

12. **Declaration.** "Declaration" shall mean and refer to this Declaration of Protective Covenants, Conditions and Restrictions for Stewarts Landing applicable to the Development Property and all subsections thereof and recorded in the Register's Office for Wilson County, Tennessee, as may be amended from time to time.

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

14. **Development Property.** "Development Property" shall mean and refer to the real property shown and further described on **Exhibit A** attached hereto and made a part hereof.
15. **Governing Documents.** "Governing Documents" shall collectively mean and refer to this Declaration and any applicable Supplemental Declaration, the By-Laws, the Articles, any architectural or design standards as provided for herein, and the Use Restrictions and Rules, as they may be amended or supplemented from time to time.
16. **Improvement.** "Improvement" shall mean and refer to any infrastructure, building, building addition, outbuilding, garage, barn, running shed, detached structure, landscaping, fence, wall, swimming pool, recreational facility, driveway, parking area, walkway, satellite dish, mailbox, utility service, or such other improvement or structure constructed or located upon all or any portion of the Development Property. It is intended that the definition of "Improvement" be broad in scope and is intended to encompass any man-made alteration of the condition of any portion of the Development Property.
17. **Lot.** "Lot" shall mean and refer to any plot of land within the Development Property permitted to be used for single family residential purposes and so designated on the Plat by a Lot number.
18. **Member.** "Member" shall mean and refer to any Person(s) that shall be an Owner of a Lot.
19. **Mortgage.** "Mortgage" shall mean and refer to any a priority mortgage encumbering a Lot held by a Mortgagee.
20. **Mortgagee.** "Mortgagee" shall mean and refer to any bank, mortgage banker, credit union, or other financial institution, which is in the business of making mortgages to customers and which is the record holder of a recorded priority Mortgage encumbering one or more Lots or property within the Development Property, which is not affiliated with the Owner and which has given written notice of its Mortgage to the Association.
21. **Occupant.** "Occupant" shall mean and refer to any Person in possession of a Lot, regardless of whether said Person is an Owner.
22. **Owner.** "Owner" shall mean and refer to the Person(s) whose estates or interests, individually, or collectively, aggregate fee simple ownership of a Lot. "Owner" shall not mean the Mortgagee or beneficiary of a recorded Mortgage or deed of trust who holds a lien solely for security purposes and does not have possession of the Lot.
23. **Person.** "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust, or other legal entity capable of holding title to real property. The use of the masculine pronoun shall include neuter and feminine references as applicable, and use of the singular shall include the plural and the plural shall include the singular where the context so requires.
24. **Plans.** "Plans" shall mean and refer to the detailed plans prepared for construction of any Improvement on or within the Development Property, which shall comply with the architectural control provisions, if any, of this Declaration.
25. **Plat.** "Plat" shall mean and refer either to the plat(s) to be recorded or the plat(s) already recorded in the Register's Office for Wilson County, Tennessee subdividing the Development Property into Lots and reflecting thereon the private streets, common areas, utility easements, and other matters normally shown on subdivision plats.
26. **Record and/or Recording.** "Record" and/or "Recording" shall mean and refer to the recording of an instrument in the Register's Office for Wilson County, Tennessee.
27. **Rules and Regulations.** "Rules and Regulations" shall mean and refer to the rules and regulations concerning the use of the Lots or the Common Areas, as adopted by the Board in accordance with this Declaration and By-Laws from time to time.
28. **Supplemental Declaration.** "Supplemental Declaration" shall mean and refer to any amendment to the Declaration Whereby Declarant submits additional property to the terms of the Declaration or otherwise amends the Declaration as provided herein.

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

Article II

PROPERTY SUBJECT TO DECLARATION

1. **Property Subject to Declaration.** Declarant, for itself and its heirs, legal and personal representatives, successors, and assigns, hereby declares that the property located in Wilson County, Tennessee, as is more particularly described and shown on **Exhibit A** attached hereto and made a part hereof, together with any Future Phase Property, shall be owned, held, transferred, leased, used, occupied, maintained, altered, and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes, and other provisions set forth in this Declaration. The covenants and restrictions contained herein constitute covenants running with the land and shall be binding upon and shall inure to the benefit of all parties now owning or hereafter having or acquiring any right, title, or interest in any Lot within the Development Property or any portion thereof. Every Person hereafter acquiring such property, by acceptance of a deed thereto, shall accept such interest subject to the terms and conditions of this Declaration and the Governing Documents, and by acceptance of same shall be deemed to have consented to and be bound by the terms, conditions, and covenants of this Declaration and the Governing Documents.

2. **Purpose of Declaration.** This Declaration is executed: (a) in furtherance of a common and general plan for the Development Property and for those other parcels of land which may hereafter become part of the Development Property; (b) to protect and enhance the quality, value, desirability, and attractiveness of all land which is or becomes part of the Development Property; (c) to establish an Association to hold, maintain, care for, and manage the Development Property and to perform functions for the benefit of owners thereof; (d) to define the duties, powers, and rights of the Association; and (e) to define certain duties, powers, and rights of Owners within the Development Property.

3. **Acceptance of Development.** By the acceptance of a deed to any Lot within the Development Property, or any portion thereof, such purchaser shall be deemed to have accepted and approved the entire plans for the Development Property and all Improvements constructed thereon by that date including, without limitation, the utilities, drains, roads, landscaping, fences, entrance, decorative masonry, and all other infrastructure and improvements of Stewarts Landing. **All such Development Property and all Improvements constructed thereon shall be accepted by the Association and each Owner “AS IS” without any representation or warranty, express or implied, in fact or by law, with respect thereto, and without any representations or warranties regarding future repairs or regarding the condition, construction, accuracy, completeness, design, adequacy of the size or capacity in relation to the utilization, date of completion, or the future economic performance or operations of, or the materials which have been or will be used in such property or repairs.**

Article III

MEMBERSHIP AND VOTING RIGHTS

1. **Owners Association.** There has been formed an Association having the name, “Stewarts Landing Owners Association, Inc.”, a Tennessee non-profit corporation, which shall be the governing body for all Owners and shall be operated to provide for the maintenance, repair, replacement, administration, operation, and care of the Development Property, as provided in this Declaration and the Governing Documents. The Articles of Incorporation for the Association are attached hereto as **Exhibit C**. 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 Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of the Owners in accordance with the provisions of this Declaration and Governing Documents.

2. **Board.** The affairs of the Association shall be managed by the Board, which shall consist of up to five (5) Directors. The Board shall be elected and serve in accordance with the provisions of the By-Laws. The By-Laws for the Association shall be the By-Laws attached to this Declaration as **Exhibit B** and made a part hereof. The fiscal year of the Association shall be determined by the Board, as may be changed from time to time by the Board. Except as to matters set forth herein as requiring a Vote of the Owners, the Board shall have full authority to make all decisions and take all actions on behalf of the Association. During the Appointment Period, the Declarant shall determine the number of Directors, Declarant shall have the right to appoint all such Directors, Declarant may serve as the Board at Declarant’s sole discretion.

a. By resolution, the Board may delegate portions of its authority to an executive committee or to other committees, tribunals, officers of the Association or to agents and employees thereof, but such delegation of authority shall not relieve the Board of the ultimate responsibility for management of the affairs of the Association. Action by or on behalf of the Association may be taken by the Board or any duly authorized executive committee, officer, agent, or employee without a Vote of Owners, except as otherwise specifically provided in this Declaration.

b. The election of the Board by the Owners shall be those Persons receiving the highest number of Votes with each Owner allowed one (1) Vote per Lot owned for as many candidates as are there are Directors being elected at a meeting of the Owners for such purpose at which a quorum is present.

3. **Membership.** Each Owner of a Lot shall be a Member of the Association. Membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot. An Owner's membership in the Association shall automatically terminate when such Person ceases to be an Owner. Upon the conveyance or transfer of an Owner's ownership interest to a new Owner, the new Owner shall succeed simultaneously to the former Owner's membership in the Association.

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

5. **Effect of Delinquency.** Any Member, who is delinquent in the payment of any Assessment or other charge duly levied by the Association against a Lot owned by the Member, shall not be entitled to Vote until all such Assessments and charges, together with reasonable penalties, interest, and costs of collection, as the Board may impose or incur, have been paid to the Association. In addition, the Board may suspend the right of such Member to use the Common Areas or, as applicable, the Common Elements or any other facilities or services that the Association may provide until such delinquency is cured. The forgoing rights of the Board shall be in addition to all other rights set forth herein or available at law or in equity with respect to a failure to pay Assessments.

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

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

8. **Binding Determination.** In the event of any dispute or disagreement between any Owners relating to the Development Property, the use, right to use, or maintenance of any Common Area, or any other questions of interpretation or application of the provisions of this Declaration or the Governing Documents, the determination thereof by the Declarant during the Appointment Period and thereafter the Board shall be final and binding on each and all Owners.

Article IV RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

1. **General Powers and Duties.** The Association has been formed to further the common interests of the Owners. The Association, acting through the Board or through persons to whom the Board has delegated any authorized powers of the Board, shall have the duties and powers hereinafter set forth and, in general, the powers to perform its duties described in this Declaration, and subject to any limitation set forth herein, the powers to do anything that may be necessary or desirable to further the

common interests of the Owners, to maintain, improve, and enhance the attractiveness and desirability of the Development Property or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a Vote of the membership.

2. **Assessments.** The Association shall levy and collect Assessments and other duly levied charges as elsewhere provided in this Declaration.

3. **Taxes.** The Association shall pay all ad valorem taxes and governmental assessments levied upon the Development Property to which the Association holds fee simple title and all taxes and assessments payable by the Association. Nevertheless, the Association shall have the right to contest in good faith any such taxes or assessments.

4. **Borrowed Money.** The Association shall have the power to borrow money but not the power to encumber Development Property as security for such borrowing.

5. **Property and Facilities Transferred by Declarant.** The Association shall accept title to any property, including any Improvements thereon and personal property, transferred to the Association by Declarant, together with the responsibility to perform any and all Administrative Functions associated therewith, provided that such property and Administrative Functions are not inconsistent with the provisions contained in this Declaration. Property interests transferred to the Association by Declarant may include fee simple title, easements, leasehold interests, and licenses for use.

6. **Property Acquisition and Improvement Construction.** Other than property received from Declarant, the Association may acquire property or interests in property for the common benefit of Owners, including Improvements and personal property. The Association may construct Improvements on property and may repair, maintain, remodel, and demolish existing Improvements upon property.

7. **Development Property Use Regulation.** The Association shall have the power to regulate the use of Development Property by Owners, their family members, guests, agent, servants, or invitees to further and enhance the overall rights of use and enjoyment of all Owners, including imposing reasonable limits on the times of use and numbers of Persons permitted to use Development Property.

8. **Public Use.** The Association, acting through the Board, shall have the right to allow members of the general public to use Development Property.

9. **Public Dedication.** The Association shall have the power to grant, convey, dedicate, or transfer any Development Property or facilities to any public or governmental agency or authority for public use.

10. **Common Area Reconveyance.** Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Development Property originally conveyed by Declarant to the Association for no consideration, to the extent conveyed by Declarant in error or needed by Declarant to make adjustments in property lines or accommodate changes in the development plan.

11. **Property Management and Care.** The Association shall manage, operate, care for, maintain, and repair all Development Property and keep them in a reasonable condition for the use and enjoyment of the Owners. The Association shall have a reasonable right of entry upon all Development Property and any portion thereof to make emergency repairs and to do other work reasonably necessary under this Declaration or under any applicable Supplemental Declaration for the proper performance of its duties hereunder and the proper maintenance and operation of the Development Property. In addition, the Association shall have the power to require that all Owners manage, operate, care for, maintain, and repair their respective property and Improvements thereon and to keep them in an attractive and desirable condition and to otherwise enforce the provisions of this Declaration against all Owners.

a. *Managing Agent.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an agent ("Managing Agent") to undertake any of the management duties and Administrative Functions for the efficient operation of the Development Property, or any part thereof, to the extent deemed advisable by the Declarant during the Appointment Period and thereafter the Board and to manage the affairs of the Association. The Managing Agent shall be required to have fidelity bond coverage on its employees handling Association funds, and the cost of such services shall be incurred by the Association. Nothing herein shall prohibit Declarant from managing the Association during the Appointment Period.

b. *Employees, Agents, and Consultants.* The Association shall have the power to hire and discharge employees and agents and to retain and pay for accounting, legal, and other services as may be necessary or desirable in connection with performance of any duties or exercise of any powers of the Association.

c. *Common Areas.* The Association shall maintain and keep in good repair the Common Areas, which shall include, but need not be limited to: (i) the Common Area, as further show on any current or future Plat, including, but not limited to, open space, all landscaping and other flora, natural formations, signage, lighting, irrigation systems and equipment, fences, parks, walls and structures and improvements upon same; (ii) landscaping and any irrigation provided to such landscaping, signage, and sidewalks within public rights-of-way within or adjacent to the Development Property, except to the extent that such responsibility is assumed by a governmental or quasi-governmental body or public utility; (iii) any lakes, ponds, streams, and/or wetlands located within the Development Property and all drainage systems, storm water retention, or detention systems for the Development Property; (vi) all Development Property entry features and the expenses for landscaping and irrigation, if any, provided to such entry features, regardless of whether said entry features are located on a Lot, Common Area or public right-of-way; (v) all private Development Property streets, alleys and sidewalks (if any); and (vi) any property and facilities owned by Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from Declarant to the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice.

d. *Exclusive Landscaper.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of one exclusive landscaping company ("Exclusive Landscaper") for all routine landscaping maintenance needs of the Development Property, such as lawn mowing, mulching, hedging and limb / leaf removal. All costs incurred in connection with the services furnished by the Exclusive Landscaper shall be a Common Assessment.

e. *Exclusive Waste Services Provider.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an "Exclusive Waste Services Provider" for garbage, recycling, and any other waste or debris collection and disposal. The cost of such services shall be a Common Expense incurred by the Association

12. **Limitation on Liability.** The Association, the Board, any other committee established by the Board, the Declarant, and any member of the Board or any committee, officer, agent, or employee of any of them (collectively the "Indemnitees") shall not be liable to any Person for any mistake of judgment, whether negligent or otherwise, or for any action or any failure to act under this Declaration, any Supplemental Declaration or the Governing Documents. In addition, the Board and the officers of the Association shall have no personal liability with respect to any contract or other commitment made by them, on behalf of the Association (except to the extent that such directors or officers may also be Owners) and the Association, as an Administrative Function, shall indemnify, hold harmless and defend the Board and such officers from any and all expense, loss, or liability to others on account of any such contract or commitment. In addition, the Indemnitees shall be indemnified and held harmless by the Association, as an Administrative Function, from any expense, loss, or liability to others by reason of having served in such capacity, against all expenses, losses, and liabilities, including court costs and reasonable attorney's fees incurred by or imposed upon such Person in connection with any proceeding to which he may be a party or may have become involved by reason of holding such position, whether or not he holds such position at the time such expenses are incurred, except in cases in which the expenses, losses, and liabilities arise from a proceeding in which such Person is adjudicated guilty of willful misfeasance, gross negligence, or bad faith in the performance of his duties and for which indemnification is prohibited by law under the Tennessee Nonprofit Corporation Act. In the event of a settlement of any such proceedings, the indemnification provided hereby shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. Any right of indemnification provided in this Paragraph shall not be exclusive of any other rights to which an Indemnitee may be entitled.

13. **Insurance.** The Board shall have the authority to obtain such insurance as it deems reasonably desirable or necessary, in such amounts, from such sources and in such forms as it deems

desirable. The Board is authorized to obtain the insurance policies and coverage(s) specified in this Declaration through the Declarant, a self-insured for-profit corporation, and reimburse the Declarant for the cost thereof. Insurance obtained by or through the Declarant shall satisfy all insurance responsibilities of the Board. The Board may (but shall not be required to) require of those performing any maintenance, repair, or other work on the Development Property for which the Association is responsible, such liability or other insurance, including workmen's compensation, as it deems reasonably necessary or desirable given the nature, circumstances, and amount of the work to be performed. Insurance obtained by or through the Declarant shall satisfy all insurance responsibilities of the Board.

a. *Casualty Insurance.* To the extent deemed desirable by the Board, the Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable, casualty, fire, and extended coverage insurance with respect to all Common Areas, Improvements and personal property owned by the Association.

b. *Liability Insurance.* To the extent deemed desirable by the Board, the Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable, broad form comprehensive liability insurance covering public liability for bodily injury and property damage.

c. *Fidelity Coverage.* To the extent reasonably obtainable, the Association may obtain and keep in full force and effect at all times a fidelity policy or bond providing fidelity coverage against dishonest acts on the part of the Managing Agent, directors, officers, employees, and volunteers of the Association responsible for handling funds collected and held for the benefit of the Owners or otherwise belonging to or administered by the Association.

d. *Coverage Sufficiency and Deductibles.* The Association shall periodically review the sufficiency of insurance coverage. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon written request, to any Member. The policies may contain a reasonable deductible. In the event of an insured loss of the Association, the deductible shall be treated as part of the Common Assessments. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may levy an Assessment of the full amount of such deductible against such Owner(s) and their Lots, as applicable. The Board is authorized to obtain the insurance policies and coverage(s) specified in this Declaration through the Declarant and reimburse the Declarant for the cost thereof.

e. *Policy Requirements.* All insurance coverage obtained by the Board shall: (i) be written with a company authorized to do business in the State of Tennessee, which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate; (ii) be written in the name of the Association as trustee for the Owners, who shall be insured under such policy to the extent of the Owners' interest; (iii) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees, individually; (iv) contain an inflation guard endorsement; and (v) include an agreed amount endorsement, if the policy contains a co-insurance clause.

f. *Additional Requirements.* In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide: (i) a waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, and the Owners and their tenants, servants, agents, and guests; (ii) an endorsement precluding cancellation, invalidation, suspension, or nonrenewal by the insurer on account of any one or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; (iii) an endorsement requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal; (iv) a cross liability provision; and (v) a provision vesting in the Board exclusive authority to adjust losses.

g. *General Provisions.* Insurance obtained by the Association may contain such deductible provisions as good business practice may dictate. Insurance obtained by the Association shall, to the extent reasonably possible without undue cost, contain a

waiver of rights of subrogation as against the Association and each Owner as against any officer, director, agent, or employee of any of the foregoing. To the extent reasonably possible, and provided Declarant reimburses the Association for any additional premium payable on account thereof, insurance obtained by the Association shall name Declarant and any Managing Agent as an additional insured and contain a waiver of rights of subrogation as against Declarant, the Managing Agent, and any officer, director, agent, or employee of Declarant or Managing Agent. Casualty, fire, and extended coverage insurance may be provided under blanket policies covering the Development Property and/or property of Declarant. Each Owner hereby irrevocably appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: (a) the collection and appropriate disposition of the proceeds thereof; (b) the negotiation of losses and execution of release of liability; (c) the execution of all documents; and (d) the performance of all other acts necessary to accomplish such purpose.

h. *Premiums.* The premiums for insurance procured pursuant to this Declaration shall be a Common Assessment.

14. **Easements.** The Association shall have the power to grant permits and licenses, as well as easements for access, utilities, drainage, water facilities, and other matters, in, on, over, across, or under Development Property and any Common Areas, as may be reasonably necessary or useful for the proper maintenance of the Development Property or otherwise benefit the Association.

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

b. *Declarant.* During the Appointment Period, an easement is reserved to Declarant in, over, under, across, and through the Common Areas in order to maintain such facilities and perform such operations as in the sole discretion of Declarant may be reasonably required, convenient, or incidental to construction and maintenance of Improvements of any kind, including, without limitation, a business or sales office(s), storage area(s), construction yards and signs.

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

d. *Construction and Sale Easement.* Notwithstanding any provision contained in this Declaration or the Governing Documents, until the termination of the Appointment Period and thereafter so long as Declarant owns any property in the Development Property for development or sale, Declarant reserves an easement across the Development Property for Declarant and any builder or developer approved by Declarant to maintain and carry on development activities, upon such portion of the Development Property as Declarant may deem desirable or necessary. This reserved easement shall include an easement for such facilities and activities which, in the sole opinion of Declarant, may be required, convenient or incidental to the development, construction and sales activities related to property within or near the Development Property. This easement shall include, without limitation: (i) the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, or in any portion of the Development Property as well as any Lot therein; (ii) the right to tie into any portion of the Development Property with driveways, parking areas and walkways; (iii); the right

to tie into or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services; (iv) the right (but not the obligation) to construct recreational facilities on Common Area; (v) the right to carry on sales and promotional activities in the Development Property; (vi) the right to place direction and marketing signs on any portion of the Development Property, including any Lot or Common Area; (vii) the right to construct and operate business offices, signs, construction trailers, model residences, and sales offices incidental to the construction, development and sales activities; and (viii) Declarant and any such builder or developer may use residences, offices, or other building owned or leased by Declarant or such builder or developer as model residences and sales offices, and may also use recreational facilities available for use by the Development Property as a sales office or for marketing purposes without charge. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, and reasonable steps shall be taken to protect such property from damage. Any damage shall be repaired by the Person causing the damage at its sole expense.

e. *Association Maintenance, Safety and Security.* The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons, to perform maintenance as further set forth herein, and to inspect for the purpose of ensuring compliance with the Governing Documents. Such right may be exercised by any member of the Board, the Association's officers, agents, employees, and managers, and all police officers, firefighters, ambulance personnel and similar emergency personnel in the performance of their duties. Except in an emergency, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire, slope erosion or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board.

f. *Declarant Inspect and Right to Correct.* Declarant reserves for itself and others it may designate the right to inspect, monitor, test, redesign and correct any structure, improvement, or condition which may exist on any portion of the Development Property, including Lots, and a perpetual, nonexclusive easement of access throughout the Development Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a dwelling shall be permitted without the consent of the Owner. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage resulting from such exercise.

g. *Federal, State and Local Entity.* An easement is hereby established for the benefit of any applicable federal, state, or local entity over all portions of the Development Property for the setting, removing, and reading of water meters; for maintaining and replacing water, sewage, and drainage facilities; for police protection, firefighting, and garbage collection; and rendering of such other services as are appropriate and necessary for the use and enjoyment of the Development Property.

h. *Fence Easement.* Declarant during the Appointment Period and thereafter the Board reserves an easement across any Lot which borders upon or contains a portion of any pond, lake, dam, water facility, detention pond or retention pond for the purpose of access to such facility or pond, and for the purpose of erecting any fence which is either required by the subdivision development and construction plans or governmental regulation, rule, ordinance or plan approval requirement.

i. *Sidewalk Easement.* A perpetual, non-exclusive easement for the construction, maintenance, repair, and replacement of pedestrian sidewalk within the Development Property, as further shown on the construction plans and specifications for the Development Property, as well as for pedestrian ingress, egress, use and enjoyment said sidewalk areas is hereby reserved to the Declarant, the Association, the Board, Managing Agent, each of their respective agents or employees and the Owners, their guests, tenants and other invitees.

15. **Condemnation.** If any Common Areas or interests therein are taken under exercise of the power of eminent domain or by purchase under threat thereof, the award in condemnation or the price payable shall be paid to the Association, except to the extent payable to any other Person with an interest in such property. The Association, by and through the Board, shall have the exclusive right to participate in such condemnation proceedings as they pertain to the Common Areas and to represent the interests of all Owners in such proceedings. Each Owner hereby irrevocably appoints the Association and any such duly appointed trustee as such Owner's attorney-in-fact for such purposes. All condemnation compensation, damages, or other proceeds received by the Association shall be held by the Association as

determined by the Board, as a reserve for future maintenance, repair, reconstruction, or replacement of Development Property, or may be used for improvements or additions to, or operation of, Development Property; provided, however, if an allocation of such condemnation compensation damages or other proceeds is already established in negotiation, judicial decree, or otherwise, then in allocating such condemnation compensation, damages, or other proceeds the Association shall employ such allocation.

16. **Rules and Regulations.** The Association, acting through either the Declarant during the Appointment Period or the Board, or other appointed committee, may from time to time adopt, amend, repeal, and enforce Rules and Regulations as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration or any Supplemental Declaration, the operation of the Association and the use and enjoyment of Development Property. Any such Rules and Regulations shall be uniformly applied, but the applicability of a particular rule to a particular situation shall be in the sole discretion of the Board. Each Owner shall comply with such Rules and Regulations. In the event of any conflict between the Rules and Regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail.

17. **Enforcement.** The Association, acting through the Board, shall have the power to enforce the provisions of this Declaration, any Supplemental Declaration, and the Governing Documents and shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner by any one or more of the following means: (a) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, any Supplemental Declaration or the Governing Documents, by mandatory injunction or otherwise; (b) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration, any Supplemental Declaration, or the Governing Documents and for all expenses incurred in connection therewith, including reasonable attorney's fees; (c) by levying and collecting reasonable and uniformly applied fines and penalties established for breach of this Declaration, any Supplemental Declaration, or the Governing Documents; (d) by taking such action as reasonably necessary to bring a Lot and any Improvements thereon into compliance with this Declaration, any Supplemental Declaration, or the Governing Documents, the costs of which shall be at the Owner's sole expense; (e) by suspending the right to vote and/or the right to use and enjoy the recreational facilities; and (f) by exercising any remedy for nonpayment of Assessments as provided herein. The Association shall have a lien on any Lot and any Improvement thereon to secure payment of the amounts described in this Paragraph, and such lien may be enforced in the same manner and with the same priority as that of a lien for Assessments as provided herein. The Association, by contract or other agreement may enforce county and city ordinances, if applicable, and local governments may enforce their ordinances within the Development Property.

18. **No Waiver.** The Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the position is not strong enough to justify taking enforcement action. Any such determination shall not be construed as a waiver of the right to enforce such provision under other circumstances or estop the Association from enforcing any other covenant, restriction or rule. The failure by the Declarant or the Board to enforce any covenant, restriction or Rule and Regulation provided in or by this Declaration, Supplemental Declaration or Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.

19. **Safety and Security.** Each Owner and occupant of a Lot and their respective guests and invitees shall be responsible for their own personal safety and the security of their property within the Development Property. The Association may, but shall not be obligated to, maintain or support certain activities within the Development Property designed to enhance the level of safety or security which each Person provides for himself or herself and his or her property. Neither the Association, the Declarant nor their officers, agents, members or employees shall in any way be considered insurers or guarantors of safety or security within the Development Property, nor shall any of the foregoing be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. The obligation to provide security lies with each Owner individually. **No representation or warranty is made that any security system or measures, including any mechanism or system for limiting access to the Development Property, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended.** Each Owner acknowledges, understands, and shall be responsible for informing its guests, invitees, tenants and all occupants of a Lot that the Association, their Board of Directors and committees, and the Declarant are not insurers or guarantors of safety or security and that each Person within the Development Property assumes all risks of personal injury and loss or damage to property, including Lots and Improvements thereon and the contents upon Lots, resulting from acts of third parties.

20. **General Corporate Powers.** The Association shall have all of the ordinary powers and rights of a Tennessee nonprofit corporation, including without limitation, the power and right to enter into partnerships and other agreements, subject only to such limitations upon such powers as may be set forth in this Declaration or in the Articles of Incorporation for the Association or the By-Laws. The Association shall also have the power to do any and all lawful things which may be authorized, required, or permitted to be done under this Declaration, under any Supplemental Declaration, or under the Governing Documents, and to do and perform any and all acts which may be necessary or desirable for or incidental to, the exercise of any of the express powers or rights of the Association under this Declaration, under any Supplemental Declaration, or under the Governing Documents.

Article V

DEVELOPMENT PROPERTY MAINTENANCE

1. **General Owner Use and Enjoyment Rights.** Except as may be provided in this Declaration, Supplemental Declaration or the Governing Documents, every Owner shall have a right and easement of enjoyment in and to the Development Property, which shall be appurtenant to and shall pass with the title to each Lot, subject to applicable law, the provisions contained in this Declaration, any Supplemental Declaration, and the Governing Documents.

2. **No Partition.** No Owner shall have the right to partition or seek partition of the Development Property or any part thereof.

3. **Owner Liability for Damage.** Each Owner and any tenant, occupant, family member, guest, agent, servant, or invitee thereof shall be liable to the Association for any damage to the Development Property or for any expense or liability incurred by either Association, to the extent not covered by insurance, which may be sustained by reason of the negligence or willful misconduct of such Owner or tenant, occupant, family member, guest, agent, servant, or invitee of such Owner and for any violation by such Owner or tenant, occupant, family member, guest, agent, servant, or invitee of this Declaration, any Supplemental Declaration, or the Governing Documents. The Board shall have the power, as elsewhere provided in this Declaration to levy and collect Reimbursement Assessments against an Owner to cover the costs and expenses incurred by the Association on account of any such damage or any such violation of this Declaration or Governing Documents, or for any increased insurance premiums directly attributable to any such damage or any such violation.

4. **Damage, Destruction, or Required Improvements.** In the event of damage to Common Areas by fire or other casualty or in the event any governmental authority shall require any repair, reconstruction, or replacement of any Development Property, the Association shall have the duty to repair, reconstruct, or replace the same. Any insurance proceeds payable by reason of damage or destruction of Development Property by fire or other casualty shall be paid to the Association and shall be used and disbursed as provided herein. If funds from insurance proceeds or available reserves are insufficient to pay all costs of repair, reconstruction, or replacement of Improvements damaged or destroyed, or if the Association is required to make repairs, replacements, or Improvements by governmental authorities, the Association may, in order to make up any deficiency in the insurance proceeds or to pay for the required repair, replacement, or Improvement, levy a Special Assessment as provided herein, or if an Owner or group of Owners is liable or responsible for such damage, levy a Reimbursement Assessment against the Owner or group of Owners responsible therefor, to provide the additional funds necessary as elsewhere provided in this Declaration. Repair, reconstruction, or replacement of Development Property shall be done under such contracting and bidding procedures as the Board shall reasonably determine are appropriate. Owners will accept existing curb damage up to the purchase of his or her Lot.

5. **Lot Damage, Destruction, or Maintenance.** In the event of damage or destruction to any Improvement located on a Lot, the respective Owner thereof agrees as follows:

a. In the event of total destruction, the Owner shall promptly clear the Lot of debris and leave same in a neat and orderly condition. To the extent the Owner desires to reconstruct the Improvement, any such reconstruction shall be accomplished in conformity with the Plans and specifications of the original structure so destroyed, subject to any changes or modifications as approved by the Board or the IRC (defined below).

b. In the case of partial damage or destruction, the Owner shall promptly clear the Lot of debris and cause the damage or destruction to be repaired and restored in a first-class condition in accordance with the Plans and specifications of the original structure. Any change or

alteration must be approved by the IRC. In no event, shall any damaged structure be left unrepaired and unrestored in excess of ninety (90) days.

c. If the correction of a maintenance or repair problem incurred on one Lot necessitates construction work or access on another Lot, the Owner shall have an easement on the property of the other Owner for the purpose of this construction. The Lot Owner performing said construction or repairs shall be responsible for the cost of restoration on any such Lot necessitated by the use of the easement thereon.

6. **Title to Association Properties upon Dissolution.** In the event of the dissolution of the Association, the Development Property shall, to the extent reasonably possible, be conveyed or transferred to an appropriate public or governmental agency or agencies, or to a non-profit corporation, association, trust, or other organization, to be used, in any such event, for the common benefit of Owners for purposes similar to those for which the Development Property was held by the Association. To the extent, the foregoing is not possible, the Development Property and the proceeds from the sale or disposition shall be distributed equally to the Owners.

Article VI

DECLARANT'S RIGHTS AND RESERVATIONS

1. **Applicability and Term.** Declarant shall have and hereby retains and reserves certain rights set forth in this Declaration with respect to the Association and the Development Property. Declarant's rights and reservations set forth herein shall be deemed excepted and reserved in each recorded Supplemental Declaration, in each conveyance of property by Declarant to the Association, and in each deed or other instrument by which any property within the Development Property is conveyed, whether or not specifically stated therein. The rights, reservations, and easements of Declarant set forth in this Declaration during the Appointment Period may not, without Declarant's prior written consent, be modified, amended, rescinded, or affected by any amendment hereto, including any amendment of this Article. Declarant's consent to any such amendment shall not be construed as consent to any other or subsequent amendment. In the event of any conflict between the rights reserved to Declarant hereunder and any other provisions of this Declaration, then Declarant's rights shall control. In the event of Declarant default of its development loan or other financing related to the development of the Development Property that results in the transfer of ownership of the Development Property to the lender, then all of Declarant's rights, duties, obligations, liabilities and any other responsibility set forth in this Declaration shall automatically be transferred and assigned to such lender.

2. **Additional Improvements.** Declarant shall have and hereby reserves the right, at any time and from time to time, but shall not have the obligation, to construct, at its expense, additional Improvements on Development Property which are for the betterment and enhancement thereof and for the benefit of the Association and the Owners. Declarant will convey or transfer such Improvements to the Association, which shall be obligated to accept title to, care for, and maintain the same as elsewhere provided herein.

3. **Promotion and Marketing.** Declarant shall have and hereby reserves the right to use the Development Property in connection with development, construction, promotion, marketing, sale and leasing of properties within the Development Property, by erecting and maintaining on any part of the Development Property such signs as Declarant, in its sole discretion, may deem desirable, necessary or proper in connection with the development, construction, promotion, marketing, sale and leasing of parcels of real property within the Development Property, and by permitting prospective purchasers of any of such parcels who are not Owners to enter upon Development Property; provided, however, that Declarant shall pay all costs occasioned by such use, including without limitation maintenance and repair expenses.

4. **Development Completion.** No provision of this Declaration shall be construed to limit the right of Declarant to or require Declarant to obtain approval: (a) to complete Improvements indicated on Plats and/or Plans filed with this Declaration, as may be amended from time to time; (b) to create, add, withdraw, modify, alter, or redefine Lots or Common Areas comprising the Development Property; (c) to subdivide Lots; (d) to make the Development Property part of a larger planned community or to subject same to a master association; (e) to excavate, cut, fill, or grade any property owned by Declarant or to construct, alter, remodel, demolish, or replace any Improvements on any Development Property; or (f) to require Declarant to seek or obtain the approval of the Association for any such activity or Improvement to property by Declarant on any Development Property. Nothing in this Paragraph shall limit or impair the reserved rights of Declarant as elsewhere provided in this Declaration.

5. **Easements.** Declarant shall have and hereby reserves the right to grant or create temporary or permanent easements and rights-of-way for access, utilities, water, drainage, and other purposes incident to development, construction, or sale within the Development Property, located in, on, under, over, and across Development Property, property owned by Declarant, provided that such easements and rights-of-way that are located within the Development Property do not unreasonably interfere with the rights of Owners.

6. **Conveyance of Additional Property.** Declarant shall have and hereby reserves the right, but shall not be obligated to, convey additional real property and improvements thereon to the Association at any time and from time to time in accordance with this Declaration.

Article VII **ASSESSMENTS**

1. **Covenant to Pay and Commencement.** Each Owner, by acceptance of a deed to his Lot, whether or not it shall be so expressed in such deed, is thereby deemed to covenant and agree to pay to the Association: (a) Common Assessments, (b) Working Capital Fund Assessments; (c) Special Assessments, (d) Reimbursement Assessments, and (e) fines or charges which may be imposed against such Lot in accordance with the provisions of this Declaration. An Owner's obligation to pay Assessments and any other duly levied charge shall commence on the first day of the first month following the transfer or conveyance of a Lot to a Person other than the Declarant or its affiliates. The Assessments for the then current Assessment Year shall be prorated on the basis of the number of months remaining in such Assessment Year.

2. **Common Assessment.** The Board shall have the power and authority to levy a "Common Assessment" to fund the annual or other periodic costs of operating the Association, including expenses incurred in connection with any Administrative Function and other expenses duly incurred by or on behalf of the Association which are to be paid by each Owner to the Association. Expenses which may be duly incurred on behalf of the Association in connection with the performance of Administrative Functions include, without limitation, the following:

a. Expenses of maintenance, operation, repair, replacement, and security of the Common Area, including, without limitation, costs of labor, equipment, and materials incurred in connection therewith.

b. Utility charges for utilities serving the Common Areas and for the lighting of streets throughout the Common Areas, as well as charges for other common services for the Development Property.

c. Expenses related to sprinkler systems, supplemental trash disposal, recycling collection, seasonal decorative lighting, and other seasonal landscaping.

d. Principal, interest, and other charges payable with respect to: (i) loans to the Association to provide funds to perform any Administrative Function or to pay any other obligation of the Association, including, without limitation, loans financing the construction of Improvements for the Development Property and (ii) loans from Declarant made to the Association to fund Association expenses prior to the time when Common Assessments payable by Owners other than Declarant are sufficient to fund the normal operating expenses of the Association.

e. Other expenses as may be determined from time to time by the Board to be incurred necessarily or appropriately for the performance of Administrative Functions, including, without limitation, taxes, insurance premiums, utility charges, and government charges not separately assessed against Lots.

f. The establishment and maintenance of a reasonable reserve fund or funds for: (i) maintenance, repair, and replacement of those portions of the Development Property and Improvements thereon that are the responsibility of the Association and that must be maintained, repaired, or replaced on a periodic basis; and (ii) to cover unforeseen operating contingencies or deficiencies arising from unpaid Assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board.

3. **Common Assessment Calculation.** Prior to commencement of each Assessment Year, the Board shall fix the amount of the Common Assessment by preparing a Budget for the Administrative

Functions to be provided by the Association in the coming Assessment Year. The proposed Budget is to show the categories of expenses and the anticipated amounts of expenses for which Common Assessments are determined by the Board to be necessary or desirable, and shall reflect any expected income and estimated sources and amounts thereof of the Association for such Assessment Year, as well as any expected surplus from the prior Assessment Year. At the office of the Association or its agent, copies of the proposed Budget and the Budget for the current Assessment Year will be made available by the Association to any Person requesting a copy thereof upon payment of the reasonable expense of copying same. The Board shall allocate the Common Assessment equally among the Lots.

4. **Assessment Notice.** Notice of any Assessment set forth herein shall be sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, facsimile transmission, or electronic transmission at the address or other contact information provided to the Board by the Owner for notices provided herein or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail or hand delivery to the Owner's Lot. Such notice shall state the type of Assessment being levied, the amount to be paid, payment frequency (annual, quarterly, monthly, or as otherwise set by the Board), and the payment due date(s), as well as any other required information. Notices will be given to Owners in a reasonable period of time prior to the payment or first installment due date.

5. **Delinquent Payment.** All Assessments or other duly levied charge or fine under this Declaration shall be due and payable on date set forth in the notice related thereto. Any Assessment or any portion thereof not paid when due shall be deemed delinquent. Any Assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as may be determined by the Board from time to time and shall bear interest from the date due at 10% per annum until paid, but in no event, shall the interest charged be in excess of the Delinquency Interest Rate.

6. **Failure to Establish Common Assessments.** The failure by the Board to levy Common Assessments for any Assessment Year shall not be deemed a waiver or modification of any of the provisions of this Declaration or a release of liability of any Owner to pay Common Assessments, or any installment thereof, for that or any subsequent Assessment Year. In the event of such failure, the amount of the Common Assessment for that Assessment Year shall be, until subsequently modified by the Board, the same as for the most recent year for which Common Assessments shall have been levied.

7. **Exempt Property.** Development Property or any portion thereof that is dedicated to and accepted by a local public authority, that is granted to or used by a utility company, or is designated as part of the Common Areas shall be exempt from Assessments.

8. **Working Capital Fund Assessment.** Each Owner of a Lot shall pay a "Working Capital Fund Assessment" in the amount of amount of Five Hundred and No/100 Dollars (\$500.00) to the Association at the closing of the sale of the completed dwelling. The Working Capital Fund Assessment will apply to the first sale of a completed dwelling upon a Lot and to every subsequent sale of such Lot. The Working Capital Fund Assessment shall not be considered as advance payment of any Assessment or other duly levied charge. The amount of the Working Capital Fund Assessment may be increased in the discretion of the Board. The Working Capital Fund Assessment shall be held and disbursed for the following purposes in the order of priority:

a. To fund costs of maintenance of the Common Areas and the Administrative Functions of the Association that cannot be funded by Assessments.

b. To reimburse the Declarant for all amounts loaned or otherwise expended by Declarant to the Association to fund any operating deficits.

c. To assure that the Association will have cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Board.

9. **Special Assessments.** The Board may levy one or more Assessments to be known as "Special Assessments" for the purpose of raising funds, not provided by Common Assessments to: (a) construct or reconstruct, repair, remodel, replace, or maintain Improvements upon Development Property, including necessary personal property related thereto, and to pay ad valorem taxes and insurance on Development Property; (b) add to the Development Property; (c) provide for necessary facilities and equipment to offer the services authorized in this Declaration; (d) repay any loan made to the Association to enable it to perform any duty or function authorized in this Declaration; or (e) pay for any other cost or expense as determined by the Board. The amount of Special Assessment to be paid by each Owner shall be calculated in the same manner as Common Assessments and may be made payable in installments over

a period that may extend beyond the Assessment Year in which the resolution was adopted. In addition to the other information required to be set forth in Assessment notices, a Special Assessment notice shall state the purpose of the Special Assessment.

10. **Reimbursement Assessment.** Subject to the provisions hereof, the Board may levy an Assessment, known as a "Reimbursement Assessment" against any Owner(s) to reimburse the Association for any loss sustained by reason of the willful or negligent failure of such Owner(s) to comply with this Declaration, any Supplemental Declaration the Governing Documents, which resulted in the expenditure of funds by the Association to remedy a problem or to cause such compliance. In addition to the other information required to be set forth in Assessment notices, a Reimbursement Assessment notice shall state the reason(s) therefor.

11. **Developer Responsibility.** Until the termination of the Appointment Period, the Declarant shall not be liable for payment of assessments on its unsold Lots. However, Declarant may, but shall not be obligated to, elect to contribute to the Association the difference between the amount of Assessments levied on all other Lots subject to assessment and the amount of the Association's actual expenditures during the fiscal year (a "Subsidy"). Any Subsidy may be treated, in Declarant's discretion, as either: (a) voluntary contribution; (b) an advance against future Assessments (if any); or (c) a loan by Declarant to the Association. A Subsidy may be evidenced by one or more promissory notes from the Association in favor of Declarant or Declarant may cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for such a loan in the local area of the Development Property. Any Subsidy shall be disclosed as a line item in the Budget. The payment of a Subsidy in any year shall under no circumstances obligate Declarant to continue payment of such Subsidy in future years. In the event Declarant expends any of its own funds for Administrative Functions, Declarant shall be entitled to reimbursement from the Association or a credit for such sums against any Assessment that Declarant might be required to pay by virtue of being an Owner. Declarant will not be obligated to pay any operating fund deficiencies that are due to non-payment of Assessments by Owners other than Declarant, and nothing contained in this Paragraph shall be deemed to relieve or release any Owner from the obligation of that Owner to pay Assessments. The decision of Declarant to fund any deficit provided for herein may be satisfied in the form of a cash substitute or by "in kind" contribution of materials and substances or a combination thereof. All "in kind" contributions of services and materials shall be valued at the reasonable market value of such service or materials.

12. **Enforcement: Liens and Personal Obligation.** In order to secure payment of Assessments, fines, or other duly levied charges assessed against any Lot within the Development Property pursuant to this Declaration as same become due, there shall arise a continuing lien and equitable charge ("Assessment Lien") in favor of the Association for all such sums, together with court costs, reasonable attorney's fees, late charges, any other collection costs, and interest thereon as provided herein (collectively, "Non-compliance Damages"). If any Assessment, fine, or other duly levied charge remains unpaid for sixty (60) days from the original due date, the Association may, as the Board shall determine, institute suit to collect Noncompliance Damages, foreclose its Assessment Lien, or both. The Assessment Lien shall be in favor of the Association and each Owner, by acceptance of a deed to a Lot vests in the Association, or its agents, the right and power to sue or otherwise proceed against such Owner for the collection of Noncompliance Damages and/or to foreclose the Association's Assessment Lien. The Association shall have the power to bid on the Lot at any such foreclosure sale and to acquire, hold, lease, mortgage, and convey same except that the amount the Association may bid at any such sale may not exceed the total amount owed to the Association by the delinquent Owner. The Noncompliance Damages shall also be the personal obligation of the Person who was the Owner at the time the Assessment, fine, or other duly levied charge became due. Such personal obligation shall not pass to successors in title unless expressly assumed by them. Any sale or transfer described herein shall not relieve such Lot from liability for any Assessments accruing after such sale or transfer.

13. **Priority of Assessment Lien.** The Assessment Lien described in the preceding Paragraph shall be superior to all other liens and encumbrances on such Lot except for: (a) liens of ad valorem taxes; and (b) a lien for all sums unpaid on a first Mortgage, on any secondary purchase money Mortgage, or on any Mortgage to Declarant, and all amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such instrument; provided, however, that the subordination of the Assessment Lien to the foregoing Mortgages shall apply only to Assessments that shall have become due and payable prior to a sale or transfer of such Lot pursuant to a foreclosure. Further, notwithstanding the foregoing, any Mortgage held by a party related to, affiliated with, or controlled by the Owner of the Lot on which such Mortgage exists shall not be entitled to such priority unless such Mortgagee obtains the written agreement of the Association that it will be entitled to such priority before making such Mortgage. All Persons acquiring other liens or encumbrances on any Lot after the recording of this Declaration shall be deemed to consent that such liens or encumbrances shall be

inferior to such future equitable charges and liens for Assessments as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

14. **No Offsets.** All Assessments shall be payable in the amounts specified in the notice related thereto, and no offsets or reductions thereof shall be permitted for any reason, including, without limitation, any claim of non-use of Development Property or Improvements thereon or any claim that the Association, the Board, or any committee of the Board is not properly exercising its duties and powers under this Declaration.

15. **Estoppel Certificate.** Upon payment of a reasonable fee as may be determined from time to time by the Board and upon the written request of any Owner or Mortgagee or Person intending to acquire any right, title, or interest in the Lot of such Owner, the Association shall furnish a written statement setting forth the amount of any Assessments or other amounts, if any, due and owing to the Association and then unpaid with respect to such Lot and/or the Owner thereof, as well as the amount of any Assessment levied against such Lot, which is not yet due and payable. Such statement shall, with respect to the Person to whom it is issued, be conclusive against the Association to establish that no greater or other amounts were then due or accrued and unpaid and that no other Assessments were then levied and unpaid against such Lot.

16. **Records of Assessments.** The Association shall cause to be maintained in the office of the Association or their Managing Agent a record of all Owners, their Lot(s), and the Assessments, fines, and/or other duly levied charges applicable thereto that shall be open to inspection by any Owner.

Article VIII

ANNEXATION AND WITHDRAWAL OF PROPERTY

1. **Annexation by Declarant.** From time to time during the Appointment Period, Declarant may unilaterally add to the Development Property additional real property adjacent to the Development Property and subject same to the Development Property as Future Phase Property. Declarant may transfer or assign this right to annex property, provided that such transfer is memorialized in a written, recorded instrument executed by Declarant. Nothing in this Declaration shall be construed to require Declarant to annex or develop any additional property in any manner whatsoever.

2. **Annexation by Members – Post Appointment Period.** Following the termination of the Appointment Period, the Members may annex additional real property adjacent to the Development Property and subject same to the Development Property as Future Phase Property, upon the affirmative Vote of Members representing at least two-thirds (2/3) of the total collective Votes in the Association present in person or by proxy at a meeting duly called for such purpose.

3. **Manner of Annexation.** Any parcel of real property to become part of the Development Property and to be made subject to this Declaration ("Future Phase Property") shall be effective upon Recording of a Supplemental Declaration that meets the following requirements: each Supplemental Declaration shall (a) be executed by the then Owner(s) of the Future Phase Property described therein; (b) contain an adequate legal description of the Future Phase Property; (c) contain a reference to this Declaration stating its Recording date and the book and page or instrument number; and (d) contain a statement that the Future Phase Property is declared to be part of the Development Property under this Declaration and that the Future Phase Property shall be subject to this Declaration.

4. **Withdrawal Annexed Property by Declarant.** Annexed Property or any portion thereof for which a Supplemental Declaration has been recorded may be withdrawn by the Declarant from the Development Property, from this Declaration, and/or from such Supplemental Declaration related thereto. The withdrawal of such Annexed Property or portion thereof may be accomplished by Declarant's execution and Recording of a written notice of such withdrawal ("Notice of Withdrawal").

Article IX

IMPROVEMENTS AND ARCHITECTURAL STANDARDS

1. **General.** No structure shall be placed, erected or installed upon any Lot and no Improvements (including staking, clearing, other site work, exterior alteration of existing improvements, painting or modifying fences, and planting or removal of landscaping materials) shall take place except in compliance with this Article and approval by the appropriate entity. Notwithstanding this, the Board may, by resolution, exempt certain activities from the application and approval requirements of this Article provided such activities are undertaken in strict compliance with the requirements of such resolution. Any Owner may remodel, paint, or redecorate the interior of structures on his Lot without

approval. However, modifications to the interior of screened porches, patios, and similar portions of a Lot visible from outside the structures on the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of Declarant or the Association on the Development Property.

2. **Designation of Committee.** The Association may have an Improvement Review Committee ("IRC"), which shall consist of no more than five (5) members. During the Appointment Period, the Declarant shall appoint the members of the IRC, who shall be subject to removal at any time by Declarant. Declarant in its sole discretion, may alone constitute the IRC and until the IRC is so appointed, all references herein to the IRC shall mean the Declarant. After the termination of the Appointment Period, the members of the IRC shall be appointed and shall be subject to removal at any time by the Board. After the termination of the Appointment Period, the Board alone may constitute the IRC and until the IRC is so appointed, all references herein to the IRC following the termination of the Appointment Period shall mean the Board. The IRC shall designate an individual as its secretary, and all communications with the IRC shall be conducted through the secretary.

3. **Function of IRC.** No Improvement shall be erected, constructed, placed, maintained, or permitted to remain on any portion of the Development Property until the Plans and specifications therefor showing the nature, kind, shape, height, materials, color, location, and any other information required by the IRC have been submitted to and approved in writing by the IRC. The IRC shall determine in its sole discretion whether or not the proposed Improvement, and all features thereof, is consistent with the overall development scheme for Stewarts Landing and otherwise compatible with other Improvements constructed within the Development Property. The IRC shall be the sole judge and arbiter of such consistency and compatibility. As a prerequisite to consideration for such approval, and prior to commencement of proposed work, the Owner, Builder, or any agent thereof shall make the necessary submissions as required by the IRC, together with the applicable fee(s), if any, to be charged by the IRC to defray its costs incurred in considering and acting upon any proposed Plans that may require changes for approval, including costs incurred in relation to an architect's review of the proposed Plans, if necessary. The IRC may refuse approval of any Plans that in its sole judgment are inconsistent with the overall purpose and aesthetic values of the Development Property or the architectural standards described herein and in the Design Guidelines, if any. The IRC shall be the sole arbiter of submitted Plans and may withhold its approval for any reason, including purely aesthetic reasons. The IRC has the authority to waive the requirements set forth in this Article or any portion thereof, as well as to pre-approve Plans and specifications for Builders constructing Improvements upon multiple Lots.

4. **Design Guidelines.** The IRC may, in its discretion, promulgate Design Guidelines specifying acceptable architectural styles, permissible materials, and acceptable locations for the construction of all Improvements within the Development Property. All Plans for Improvements must be consistent with such Design Guidelines, which may be amended from time to time by the Declarant during the Appointment Period and thereafter the Board. Copies of the current Design Guidelines, if any, may be purchased at a reasonable cost.

5. **Submission of Plans.** Any Owner, Builder, or any agent thereof desiring to construct an Improvement upon any Lot shall first have detailed Plans prepared for such Improvement, acceptable to the IRC. The scaled Plans to be submitted for IRC review shall include at a minimum the following: (a) plot plan, survey or copy of the recorded plat showing the dimensions of the Lot, the proposed location of all Improvements to be placed upon the Lot, including but not limited to any detached structures such as sheds, garages, swimming pools, pool houses, guest houses, walls and/or fences; and the relationship of all such Improvements to the front, rear, and side property lines; (b) elevation drawings of the front, sides, and rear of any new structure included within the Improvements, together with all exterior color selections / schemes and building materials to be used; (c) a landscaping plan, including all driveways, sidewalks, and terraces; and (d) such other information as may be necessary or otherwise requested by the IRC.

6. **Approval of Plans.** The IRC will certify its approval or disapproval of the Plans within thirty (30) days of the IRC's acknowledged receipt of the Plans, specifications, review fee, and/or other requested information and/or materials. In its sole and uncontrolled discretion, the IRC may grant or withhold its approval of the Plans. By the purchase of property within the Development Property, every Owner shall be conclusively presumed to have consented to the exercise of discretion by the IRC. The IRC's approval of Plans for any Improvement shall be effective for a period of six (6) months only; and if construction of the proposed Improvements shall not have commenced within that time period, the approval shall no longer be valid. In the event written approval is not received within thirty (30) days after the Plans, specifications, review fee, and all requested additional information have been submitted and acknowledged as received by the IRC, then the request for approval shall be deemed DENIED.

7. **Construction Compliance.** If the IRC approves Improvement Plans, the Owner shall make a construction compliance security deposit or post a bond, letter of credit, or other acceptable collateral in such amount in the sole discretion of the IRC ("Construction Deposit") in order to insure compliance with the Plans by the Owner, his representatives and/or agents. Upon Owner's completion of construction, including the removal of all trash and debris, Owner shall notify the Board of same so that the completed construction and clean-up may be inspected, confirmed, and approved. Once the completed construction and clean-up have been inspected and approved, the Construction Deposit shall be refunded or released to the Owner; provided, however, the Board shall be entitled to deduct from the Construction Deposit any costs incurred by Declarant the Association to repair any damage to Common Areas or other Improvements within the Development Property and otherwise to maintain same in a clean and orderly fashion free of mud, dirt, or other debris. Further, the Board shall be entitled to deduct from the Construction Deposit the full amount of any fine assessed against the Owner by the Board for non-compliance with the approved Plans and/or covenants set forth herein.

8. **Construction of Improvements.** Once the IRC approves the Plans and the Owner has made the Construction Deposit, the Owner, Builder, or any agent thereof shall construct the Improvements in substantial conformity with the approved Plans. Actual construction shall be the responsibility of the Owner and shall commence before the expiration of the IRC's approval as provided hereinabove. At all times during the construction of any Improvement, the Declarant during the Appointment Period and thereafter the Board or an authorized agent thereof shall have access to same for the purpose of inspection and confirmation that the construction is in substantial accordance with the Plans as approved by the IRC and in compliance with this Declaration, any Supplemental Declaration or other Governing Documents. If the construction is found not to be in substantial accordance with the Plans as approved by the IRC and/or in compliance with this Declaration, then the Declarant during the Appointment Period and thereafter the Board or an authorized agent thereof shall give written notice to the Owner of such non-compliance and the basis therefor. If the violation is not brought into compliance or a satisfactory resolution is presented in writing by the Owner and accepted by the Declarant during the Appointment Period and thereafter the Board within five (5) business days of the delivery of such written notice, then the Declarant during the Appointment Period and thereafter the Board shall be authorized: (a) to stop construction and all activities related thereto concerning any Improvement until same is made compliant; (b) to assess reasonable fines related to the noncompliance; and (c) to make the necessary corrections or to take necessary action to make the Improvements compliant at the Owner's expense.

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

10. **Compliance and Penalty.** Failure to comply with any provision of this Article, Declarant during the Appointment Period and thereafter the Board may take such action as necessary to achieve compliance therewith, including, without limitation, assessment of fines that may be debited against the Construction Deposit. The Owner shall, upon demand, immediately reimburse Declarant or other performing party for all expenses incurred in so doing, including attorney's fees. Declarant and thereafter the Association shall have a lien on the Lot and the Improvements thereon to secure the repayment of such amounts. Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced.

Article X

IMPROVEMENT RESTRICTIONS

1. **General.** The construction or installation of Improvements upon Development Property shall comply with Notes on any Plat, as may be amended from time to time; shall comply with all

requirements set forth on the overall development plan for the Development Property, if any and as may be amended from time to time; and shall comply with all other applicable laws, ordinances, and regulations of governmental agencies (federal, state and local). In addition, the following provisions shall govern the construction and installation of all Improvements upon the single-family residential Lots within the Development Property.

2. **Lot Combination and Re-subdivision.** If one or more contiguous Lots are owned by the same Owner, they may be combined subject to compliance with applicable subdivision laws and regulations upon consent of Declarant during the Appointment Period and thereafter the Board for the purpose of placing approved Improvements thereon. Once combined, however, they shall retain their status as individual Lots for purposes of Voting and Assessments. No Lot shall be re-subdivided in order to create additional building sites except by Declarant, unless such re-subdivision is first approved by the applicable governing authority and the Board. Declarant shall have the right, but not the obligation, to re-subdivide Lots by recorded plat or in any other lawful manner, and such lots, as re-platted, shall be subject to this Declaration as if such Lots were originally included herein as Lots. Any such re-plat must comply with pertinent re-platting ordinances, statutes, regulations, and requirements.

3. **Dwelling Size.** All dwellings shall contain not less than 1,800 square feet of living space (HVAC floor area), excluding basement, garage, carport, open porches, or patios ("Living Space").

4. **Exterior Materials.** Except as otherwise approved by the IRC, the exterior building materials for all dwellings shall be 100% brick, stone, cementitious fiber board/hardy plank, or other masonry material. Siding and trim colors on all dwellings must be approved by the Board in advance of application to a dwelling.

5. **Roofs.** The roof of the dwelling or other approved structure shall be constructed or covered with architectural type shingles unless otherwise approved by the IRC. To the greatest extent possible, all roof stacks and plumbing vents shall be located on the rear slopes of the roof, and any alternative placement must be approved by the IRC.

6. **Mailboxes.** The IRC shall have the power to designate a specific, uniform type of mailbox for the Development Property or any subsection thereof. In the event that the specific, uniform mailbox required herein is not reasonably available, the IRC shall select the replacement mailbox to be used.

7. **Driveways and Sidewalks.** The IRC shall approve the location, construction, design, and types of materials for all driveways and sidewalks. Except as otherwise approved by the IRC, all driveways shall be finished with a hard surface of an approved material that is compatible with the Improvements located on the Lot and the overall Development Property. At the time of the construction of the dwelling, every Owner shall be responsible for the installation of the portions of the sidewalk across the Owner's Lot. In the event the dwelling is not constructed on the Lot; the Owner shall install the sidewalk by the earlier of twelve (12) months following the conveyance of the Lot or thirty (30) days after the installation of the final topping of asphalt on the street fronting such Lot. In the event the Owner fails to timely install the sidewalk as provided in this Paragraph, the Association may cause the sidewalk to be installed, and the cost thereof shall be a lien against the Lot to secure the repayment of such amounts. Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced.

8. **Curb Cuts and Damage.** Any Owner or Builder who makes a curb cut or damages any Common Area shall be responsible for repairing same at his sole expense and at the direction and to the satisfaction of Declarant during the Appointment Period and thereafter the Board. Any such Owner or Builder shall reimburse Declarant or the Association for the cost of any such repairs, if Declarant or the Board repairs the damages.

9. **Fencing, Walls, and Hedges.** Location, style, type, and materials of fencing, walls, and/or hedges must be approved by the IRC. No fence nor wall shall be erected or maintained nearer to the front lot line than the front of the dwelling, and for corner lots, not nearer to the lot line facing the more minor side street than the side of the dwelling. Hedges, shrubbery or evergreens may not be located nearer to the lots lines than fencing and walls, but their location must be approved by the IRC. No fence, wall, or hedge shall interfere with any drainage easements that may exist on a Lot. No fence, wall or hedge shall be more than six (6) feet in height, unless otherwise approved. Chain link and wire fences are specifically prohibited.

10. **Yards.** Lots are to be landscaped and maintained in an attractive manner that is compatible with neighboring Lots and respectful of views and privacy of adjacent Owners. Flowers, hedges, shrubs, trees, and other vegetation may be planted in the rear yard without IRC approval; however, Owners shall replace in a diligent manner any vegetation on their Lot that should die.

11. **Grading and Drainage.** No Owner shall excavate earth from any Lot for any business purpose, except for the construction of the approved Improvements thereon, and no elevation changes will be permitted that could materially affect the surface grade of the Lot without the consent of the IRC, which must also approve the nature, manner, and methods of the earthwork. Drainage of each Lot shall conform to the general drainage plans for the Development Property. No storm water drain, roof downspout, or ground water shall be introduced into the sanitary sewage system.

12. **Swimming Pools and Spas.** Swimming pools, hot tubs, Jacuzzis, or spas for the use of Owners and their guests may be constructed on Lots so long as: (a) they are of a permanent nature and are below ground level or are incorporated into other improvements such as decking, gazebo, or otherwise and approved by the IRC; (b) the location complies with the minimum setback requirements shown on the Plat; (c) all applicable laws, ordinances, rules, and regulations of governmental agencies are satisfied and all necessary governmental permits are obtained by the Owner at his expense; (d) such spas are fenced in a manner approved by the IRC; (e) the IRC has approved the design and location that shall be in the rear yard only; and (f) construction is not commenced until after the commencement of the construction of the dwelling.

13. **Compliance and Penalty.** Failure to comply with any provision of this Article, Declarant during the Appointment Period and thereafter the Board may take such action as necessary to achieve compliance therewith, including, without limitation, assessment of fines or corrective action to bring such violation into compliance. The Owner shall, upon demand, immediately pay the fine and/or reimburse Declarant or other performing party for all costs incurred, including reasonable attorney's fees. Declarant and thereafter the Association shall have a lien on the Lot and Improvements thereon to secure payment of fines and/or reimbursement for such costs. Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced.

Article XI

USE RESTRICTIONS

1. **General.** The following use restrictions apply to all Lots and Improvements constructed thereon within the Development Property.

2. **Residential Use.** No Lot shall be used for any purpose other than private, single family residential purposes and purposes incidental and necessary thereto. The foregoing restriction shall not, however, be construed in such a manner as to prohibit an Owner from: (a) keeping his personal business or professional records or accounts; or (b) handling his personal business or professional calls or correspondence from his Lot. Such uses are expressly declared customarily incidental to the principal residential use and not in violation of said restriction. Further, the foregoing restriction shall not preclude real estate sales offices and construction trailers from being maintained on Lots by or on behalf of Declarant for purposes of construction, development, and sale of same.

3. **Occupancy Permit.** No dwelling upon any Lot may be occupied prior to the issuance of a final use and occupancy permit related to same by the applicable governing authority and approval of the IRC.

4. **Lease.** No dwelling or interest therein, shall be leased by an Owner except by a written lease with a term equal to or greater than a six (6) month term. The Lessee under such lease shall be bound by and subject to all of the terms, conditions, restrictions, rights, and obligations of this Declaration and the Governing Documents, which shall be expressly provided in the lease. Upon request by the Board, the Owner of a Lot shall deliver to the Board within ten (10) days a copy of the lease. Failure to comply with this Declaration shall be a default under such lease. This restriction shall not be deemed to prohibit Mortgagee who takes title to a Lot pursuant to the terms of its security instrument from leasing same for a limited time until the Mortgagee can find a buyer for the Lot. Without Board approved, no more than five (5) improved Lots shall be used as rental properties at any one time. Notwithstanding this restriction, Builders or the Developers may lease and rent improved Lots until they are able to sell properties they own. No portion of a Lot or Improvement shall be used as a short-term rental or other type of hotel transient usage without written approval of the Board.

5. **Yards and Landscaping.** Lawns shall be maintained in a neat and orderly fashion so that the grass does not become overgrown. In the event an Owner fails to maintain his lawn as provided in this Paragraph after three (3) days written notice to do so, the Board shall have the right to complete the lawn maintenance and the cost thereof shall be a lien against the Lot to secure the repayment of such amounts. Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced. Yard art and water features shall not be permitted in the front yard or otherwise visible from any street.

6. **Clotheslines and Lighting.** No clotheslines, clothes hanging devices, or the like upon any Lot shall be permitted. Outside lights at eaves and door entrances, flood lights, and spotlights shall be permitted; provided, however, these lights must be adjusted so that the rays of any beam or floodlight shall not interfere with neighboring Lots. Exterior flashing lights or spot/flood lights on the exterior that shine on or into adjacent Lots shall be prohibited. Any walkway, driveway, or landscape lighting shall be of low intensity. Seasonal decorative lighting shall be permitted only during the holiday season. Any lighting inconsistent with this restriction must be approved by Declarant during Appointment Period and thereafter the Board.

7. **Screening of Mechanical and Storage Areas.** Excepting the initial construction period, any and all equipment, air conditioner condensers, garbage cans, woodpiles, or storage piles on any Lot, whether temporary or permanent, shall be screened to conceal same from the view of neighboring Lots, streets, or Common Area with the Plans for any screening, fences, and/or landscaping being approved by the IRC.

8. **Outside Recreation Equipment.** All playground and recreational equipment (e.g. swings, slides, trampolines, playhouses, basketball hoops / backboards) shall be approved by the IRC prior to installation and must be used, erected, placed, or maintained to the rear of the Lot, away from street view. The Board shall have the authority to govern the location, any required screening, materials, and types of various recreational equipment.

9. **Antennae and Flags.** No transmitting or receiving equipment (antennas, dishes, etc.) in excess of eighteen (18) inches in diameter (or such larger size as shall be expressly authorized by the regulations of the Federal Communications Commission) for radio, television, or communications may be located on the exterior of any Improvement or on the Lot without the approval of the IRC as to location and screening, if necessary. In no event, may such equipment be in the front of any Lot or be visible from the roads. No flag poles or flag mounting structure or devise may be located on a Lot without the approval of the IRC as to location and size.

10. **Window Units/Treatments.** All supplements to the central air conditioning system must be used, erected, placed, or maintained on the rear of the dwelling structure. No window or wall type air conditioning system shall be permitted to be seen from the street view of any Lot and all such systems shall be installed flush with the exterior wall surface. Except for blinds and curtains, all window treatments that are visible from any street or Common Area shall be subject to approval of the IRC, in its sole discretion.

11. **Temporary Structures.** No trailer, camper, garage, tent, shack, barn, shed, carport, or other outbuilding shall be erected, moved onto, stored or used on any Lot as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

12. **Detention Pond.** Any detention pond or detention area, which encroaches on or lies wholly or partially within any Lot shall not be filled, disturbed, or altered in any way by the Owner. The visible areas of these detention ponds or detention areas will be maintained and mowed within the boundaries of same as shown on the Plat. A perpetual easement is reserved to Declarant or any successor, assignee, or appointee of Declarant and/or the Board across any Lot to repair or maintain such areas.

13. **Garage / Yard Sales.** Garage sales or any other similar private or public sale of goods, personal property, or services shall not be allowed except for Association sponsored sales to be authorized by the Board and sales by owners not to exceed two (2) per year and in accordance with any Rules and Regulations to be established by the Board in connection therewith. Sales by Owners shall be limited to one (1) day in duration.

14. **Garbage Disposal.** Trash, garbage, or other waste shall be kept in sanitary containers and shall be disposed of in a clean and sanitary manner. All equipment for storage or disposal of such materials shall be kept in a clean and sanitary condition and shall be kept inside the garage or other designated area serving the Lot in question. No garbage cans, trash containers, nor any other such trash

receptacles shall be permitted in public view except for a twenty-four (24) period surrounding the designated date and time for trash pickup as set by the provider of said services.

15. **Vehicle Storage.** No mobile home, bus, camper, boat, trailer, truck, or vehicles having a load capacity in excess of one ton may be parked or stored on any street or in public view on or within the residential areas of the Development Property, except for vehicles and equipment necessary for and being used in the development, construction, repair, or service of same, unless prior written approval is given by the Declarant during the Appointment Period and thereafter the Board. No commercial trucks, vans, or trailers shall be parked on driveways or in streets for periods of time exceeding twelve (12) consecutive hours or for more than seventy-two (72) hours in any calendar week. No inoperable or damaged automobiles or recreational vehicles of any type shall be parked outside of a closed garage.

16. **Vehicle Service and Noise.** Junk vehicles, inoperable vehicles, unlicensed vehicles not for immediate use, or vehicles of any kind in disrepair, may not be kept or parked on any street or in public view within the Development Property. Vehicles may not be assembled or serviced unless completely hidden from public view. For purposes of this Paragraph, "serviced" shall not be deemed to include the cleaning, washing, or polishing of a vehicle; the changing of oil, lubricants, anti-freeze, or other fluids; nor the replacing of air, oil, or other filters used in the vehicle. No motor vehicles may have a loud exhaust or muffler sounds. The acceptable noise levels shall be determined by the Board from time to time.

17. **Parking and Entertainment.** All Owners shall park their vehicles first, to the extent possible, in the garage for that Lot, if applicable and then in the driveway. Owners shall take all steps necessary to keep garage doors closed except for such limited and reasonable periods of time which may be necessary for access and/or repair. Vehicles may not be parked on grass or yard areas, except when entertaining. No Owner shall permit any vehicle (operable or inoperable) owned by such Owner or by any person occupying his Improvements or by any guest or invitee of such Owner to remain parked on any street within the residential areas of the Development Property for a period of more than seventy-two (72) consecutive hours. Any vehicle which remains parked on the street in violation of the foregoing covenant, or in violation of any other rules and regulations now or hereafter adopted by the Board, may be towed at the expense of the owner of such vehicle or the Owner of the Lot visited by such vehicle owner. Neither the Declarant, the Association, nor the Board shall be liable to the owner of such vehicle for trespass, conversion, or otherwise, nor be guilty of any criminal act by reason of such towing. Neither the removal nor the failure of the owner of such vehicle to receive any notice of said violation shall be grounds for relief of any kind. The term "vehicle" as used herein shall include, without limitation, golf carts, motorhomes, buses, watercraft, trailers, motorcycles, scooters, trucks, all-terrain vehicles, campers, and automobiles.

18. **Livestock, Poultry, and Pets.** No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided they are not kept, bred, or maintained for commercial purposes. At all times, when such household pet is not confined on the Lot of its owner, said pet shall be leashed or otherwise under the immediate control of the Person(s) with it. It is the responsibility of the pet owner to clean and dispose of any waste produced by the pet anywhere other than on the Lot of its owner. No pet or animal shall be permitted on the Development Property or any Lot therein that would cause or increase in the Association's insurance premiums or would be prohibited by Metro ordinance.

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

20. **Signs.** The following restrictions shall apply to signs: (a) Declarant shall have the right to erect and to approve the erection of reasonable and appropriate signs for its own use and the use of Builders and other parties engaged in the construction and sale of Improvements within the Development Property; (b) Declarant shall have the right to remove any unapproved sign, billboard, poster, or advertising device that is placed on any Lot or Improvement thereon and in doing so shall not be subject to any liability for trespass or other course of action in connection therewith or arising from such removal; (c) no sign, billboard or poster of any kind of a permanent nature shall be erected, exhibited, maintained, or placed upon any Lot; (d) temporary signs, not to exceed a maximum surface area of six (6) square feet, such as "For Sale" signs, shall be permitted so long as there are no more than two (2) signs per Lot, and no such sign shall be placed outside the boundary of the Lot, within any right-of-way, Common Area, or Lot owned by another Person; (e) all signs shall comply with regulations that may be adopted by the Board from time to time; and (f) all Owners grant to Declarant and thereafter to the Board the right to

remove all signs not in compliance with the sign restrictions and in doing so shall not be subject to any liability or criminal action for trespass, destruction of property, or other tort in connection therewith or arising from such removal.

21. **Hobbies.** The pursuit of hobbies that are inherently dangerous shall be conducted only in garages or basements and such activities must not be visible from streets, Common Areas, or neighboring Lots. Activities such as the shooting of firearms, fireworks, or pyrotechnic devices of any type or size and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the consent of the Board, which may be granted in the sole discretion of the Board.

22. **Noise.** No Owner shall cause or allow any use of his Lot that results in noise which disturbs the peace and quiet of the Development Property. This restriction includes, without limitation, dogs that are loud and frequent barking, whining, or howling disturbs other Owners, exterior music systems, public address systems, or other noise sources which disturb other Owners' ability to peacefully possess and enjoy their Lot. Noise from within a home on a Lot should be at such a level as to remain solely in the dwelling.

23. **Nuisances.** Each Owner shall refrain from any act or use of his Lot that could reasonably cause discomfort, annoyance, or nuisance to the neighboring Lots. No noxious, offensive, or illegal activity shall be carried out upon any Lot.

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

25. **Compliance and Penalty.** Failure to comply with any provision of this Article, Declarant during the Appointment Period and thereafter the Board may take such action as necessary to achieve compliance therewith, including, without limitation, assessment of fines or corrective action to bring such violation into compliance. The Owner shall, upon demand, immediately pay the fine and/or reimburse Declarant or other performing party for all costs incurred, including reasonable attorney's fees. Declarant and thereafter the Association shall have a lien on the Lot and Improvements thereon to secure payment of fines and/or reimbursement for such costs. Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced.

Article XII

MORTGAGEE PROVISIONS

1. **General.** In addition to any other rights granted to Mortgagees elsewhere in this Declaration, the rights and protections of this Article are hereby granted to and for the benefit of any Mortgagee.

2. **Actions Requiring Mortgagee Approval.** Without the prior written consent of at least fifty-one percent (51%) of all recorded first Mortgagees of Lots or the beneficiaries thereunder of record (based upon one vote for each Lot or Unit upon which a Mortgage is owned), who have requested such notice, the Association shall not be entitled by act or omission to seek to abandon or terminate the restrictions declared herein; provided, however, approval of such action shall be implied against any eligible Mortgagee in the event such Mortgagee fails to submit a response in writing to the Association within sixty (60) days of service of such notice by certified or registered mail, return receipt requested, to said Mortgagee at the address listed in the records of the Association.

3. **Records Examination.** Mortgagees shall have the right to examine the books, records, and financial statements of the Association, as well as this Declaration and the Governing Documents at reasonable times and upon reasonable notice.

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

5. **Insurance Proceeds – Common Areas.** No Owner or any other party shall have priority over any rights of the Mortgagees pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Common Areas.

6. **Mortgagor Default – Lots.** Mortgagees, upon written request, shall be notified by the Association in writing of any default by the mortgagor of a Lot in the performance of such mortgagor's

obligations under this Declaration and its constituent documents not cured within sixty (60) days from the date of such default.

7. **Notice to Board.** Upon request, each Owner shall be obligated to furnish to the Board the name and address of the holder of any Mortgage encumbering such Owner's Lot.

8. **Mortgagee Notice to Board.** Mortgagees shall request notice of the matters set forth herein by making written request to the Board upon becoming a Mortgagee hereunder and requesting that the name and address of such Mortgagee and the Lot so encumbered be identified by the Board in the records for the Association. Any notice requesting approval of any Mortgagee as required herein shall advise said Mortgagee that failure to respond within sixty (60) days of said notice shall be deemed to be approval by said Mortgagee of the matter for which approval is being sought.

9. **Disposition by Mortgagee.** Subject to the Priority of Assessment Lien as described in Article VII, any Mortgagee who obtains title to a Lot pursuant to remedies provided in the Mortgage or deed of trust, or upon foreclosure of the mortgage or deed of trust, or upon receiving a deed (or assignment) in lieu of foreclosure, shall take the Lot free of any claims for unpaid Assessments and charges against the mortgaged Lot, which accrue prior to the time such holder comes into possession of same. Specifically, and without limitation, the provisions of this Declaration, Supplemental Declarations, or the Governing Documents shall not impair the rights of any Mortgagee to: (a) foreclose or take title to a Lot pursuant to remedies provided in the Mortgage; (b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or (c) sell a Lot acquired by the Mortgagee.

Article XIII **AMENDMENTS**

1. **Owners.** Except as otherwise provided herein, the provisions of this Declaration may be changed, modified, or amended by Supplemental Declaration or other written and properly recorded instrument setting forth such change, modification, or amendment, upon the affirmative Vote of not less than fifty percent (50%) of the Members present at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present unless a higher percentage Vote is required elsewhere in this Declaration or applicable law. However, during the Appointment Period, any such change, modification, or amendment shall require the verified written consent of the Declarant upon such instrument in order to be effective. Unless a higher percentage is required by law, revocation of this Declaration or the self-management of the Association shall require the affirmative Vote of not less than sixty-seven percent (67%) of the all the Members of the Association entitled to Vote at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present. Any such change, modification, amendment, or revocation shall not become effective until the instrument evidencing such change has been recorded in the Register's Office for Wilson County, Tennessee.

2. **Declarant.** Notwithstanding any provision to the contrary herein, the Declarant hereby reserves and shall have the right, power, privilege, and authority, in its sole discretion, to amend this Declaration and any Exhibit hereto without the consent, joinder, or approval of the Association, the Board, any Owner, any Person having a contractual right to purchase a Lot, any Mortgagee or beneficiary of any Mortgage or deed of trust on any Lot or any other Person. Such right, power, privilege, and authority of Declarant shall expire two (2) years after the termination of the Appointment Period. Declarant shall be in no way obligated to amend this Declaration or any Exhibit hereto pursuant to this Paragraph.

3. **Discrimination.** No amendment shall discriminate against any Owner or against any group of Owners, unless the Owner(s) so affected shall consent. No amendment shall change the Voting rights provided herein unless the Owner(s) so affected shall consent.

Article XIV **MISCELLANEOUS PROVISIONS**

1. **Duration.** The covenants and restrictions of this Declaration shall run with and bind title to the Development Property, shall be binding upon and inure to the benefit of Declarant, the Association, and all Owners and Mortgagees, and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and remain in effect until the twenty fifth (25th) anniversary of the date of the recording of this Declaration, whereupon this Declaration shall be automatically renewed for successive terms of five (5) years unless Owners holding at least two thirds of the Vote of all Owners entitled to cast a Vote elect to terminate the Declaration by vote taken at least six (6) months prior to the

end of the current term and unless such termination is approved by the applicable governing authority. Notwithstanding the foregoing, any easements granted pursuant hereto or in any Supplemental Declaration are and shall be perpetual, except to the extent, if any, otherwise provided in the creation of any such easement, and except that any dedication to and acceptance by an appropriate governmental authority or any conveyance or grant to any appropriate public utility of the facilities that are the subject of any such easements shall terminate those easements if such dedication, conveyance, or grant so provides. The Declarant may amend or modify these covenants as it deems until such times as all Lots have been sold to third parties.

2. **Notice to Owners.** Notice to any Owner set forth herein shall be sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, facsimile transmission, or electronic transmission at the address or other contact information provided to the Board by the Owner or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail (certified mail with return receipt requested) or hand delivery to the Owner's Lot. It shall be the obligation of every Owner to notify the Board in writing of any change in address. Any Person who becomes the Owner after the date on which notice was made upon such Owner's predecessor in title to the Lot shall be deemed to have received such notice.

3. **Notice to Declarant or Association.** The address of the Declarant and the Association for the purposes of furnishing notice(s) as provided in this Declaration or the Governing Documents shall be: (1) the principal office of the Declarant or the Association of record in the Office of the Secretary of State for the State of Tennessee; (2) P.O. Box 1955, Mt. Juliet, TN 37121; or (3) an alternative address is given in writing to all Owners. Notices addressed as above shall be delivered in person with written acknowledgment of the receipt thereof or sent by prepaid U.S. Mail (certified mail with return receipt requested), FedEx, UPS, or other reputable private carrier, receipt signature required.

4. **Statute of Limitation.** No action in contract, tort, or otherwise against the Association, the Board, or the Declarant for any action or inaction by the same or to challenge the validity of this Declaration, any Supplemental Declaration or other duly adopted amendment may be brought more than one (1) year after the occurrence of such action or inaction or the date this Declaration, the Supplemental Declaration, or other instrument is recorded.

5. **Books and Records.** Except for confidential, non-public information of the Association or that affecting the privacy rights of third parties or otherwise subject to confidentiality or non-disclosure protections or objections under any basis, the books and records of the Association are subject to inspection at the principal office of the Association by any Owner during reasonable business hours and upon ten (10) days prior written notice. Copies of such records may be purchased at a reasonable cost.

6. **Right to Mortgage Information.** Each Owner hereby authorizes any Mortgagee holding a Mortgage on such Owner's Lot to furnish information to the Board concerning the status of such Mortgage and the loan which it secures, to the extent such information is appropriate to assist the Board in determining if such loan is a valid first Mortgage or secondary purchase money Mortgage.

7. **Limitation on Liability.** The Association, the Board, the IRC, any other committee established by the Board, the Declarant, and any member of the Board or any committee, officer, agent, or employee of any of them (collectively the "Indemnitees") shall not be liable to any Person for any mistake of judgment, whether negligent or otherwise, or for any action or any failure to act under this Declaration or any Supplemental Declaration. In addition, the Board and the officers of the Association shall have no personal liability with respect to any contract or other commitment made by them, on behalf of the Association (except to the extent that such directors or officers may also be Owners). The Association, as an Administrative Function, shall indemnify, hold harmless, and defend the Board and such officers from any and all expense, loss, or liability to others on account of any such contract or commitment. In addition, the Indemnitees shall be indemnified and held harmless by the Association, as an Administrative Function, from any expense, loss, or liability to others by reason of having served in such capacity, against all expenses, losses, and liabilities, including court costs and reasonable attorney's fees incurred by or imposed upon such Person in connection with any proceeding to which he may be a party or may have become involved by reason of holding such position, whether or not he holds such position at the time such expenses are incurred, except in cases in which the expenses, losses, and liabilities arise from a proceeding in which such Person is adjudicated guilty of willful misfeasance, gross negligence, or bad faith in the performance of his duties and for which indemnification is prohibited by law under the Tennessee Nonprofit Corporation Act. In the event of a settlement of any such proceedings, the indemnification provided hereby shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. Any right of indemnification provided in this Paragraph shall not be exclusive of any other rights to which an Indemnitee may be entitled.

8. **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 former President of the United States, Donald J. Trump.

9. **Land Outside Development Property.** The restrictions created by this Declaration benefit and burden only the Development Property and no other land whatsoever. Notwithstanding any possible sharing of present or future facilities by other land, whether developed by Declarant or others, the general plan created by the restrictions of this Declaration extends only to the Development Property, and such restrictions are not intended to benefit any Persons other than those having an interest in the Development Property. No Person owning land or having an interest in land outside of the Development Property shall have any right whatsoever to enforce this Declaration for the benefit of such land, and neither the Association, nor any Owner shall have the right to extend the enforcement of this Declaration to any real property not within the Development Property. Provided, however, nothing contained herein shall in any way preclude or limit the applicable governing bodies from enforcing the terms of this Declaration and the Governing Documents.

10. **General Development Information.** Any brochures, maps, models, handouts, schematics, plans, and facilities provided or available in connection with the Development Property or the development, construction, promotion, sale, marketing, or leasing of Development Property or Improvements thereon: (a) are provided for general information purposes only; (b) are subject to change and deletion without notice by Declarant or by public or governmental authorities; and (c) shall not obligate Declarant to develop, construct, promote, market, sell, or lease any such property or Improvements whatsoever or in any particular manner, or to add to the Development Property any Future Phase Property.

11. **Governing Law.** This Declaration shall be construed, governed, and enforced under and in accordance with the laws of the State of Tennessee.

12. **Interpretation.** The Declarant during the Appointment Period and then the Board shall have the right, power, and authority to determine all questions arising under or in connection with this Declaration and the Governing Documents and to construe and interpret its provisions, and any determination, construction, or interpretation made in good faith by the Board shall be binding on all Owners. In all cases, the provisions set forth in this Declaration shall be construed, in the opinion of the Board, to best effect the intent of the general purposes of this Declaration. The provisions hereof shall be liberally interpreted to effectuate the purposes set forth herein, and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

13. **Remedies Cumulative.** The rights, powers and remedies provided in this Declaration shall be cumulative and not restrictive of other remedies at law or in equity, and the exercise by a Person of any particular right, power, or remedy shall not be deemed an election of remedies or to preclude such Person's resort to other rights, powers, or remedies available to it.

14. **Partial Invalidity.** Invalidity of any one or more of the provisions of this Declaration by judgment or court order shall not affect any other provision not expressly held to be void or the provisions so void in circumstances or applications other than those expressly invalidated, and all such remaining provisions shall remain in full force and effect together with the provisions ruled upon as they apply to circumstances other than those expressly invalidated.

15. **Severability.** If any provision of this Declaration, the Governing Documents or any section, sentence, clause, phrase, word or the application thereof in any circumstance is held invalid; the validity of the remainder of this Declaration and the Governing Documents and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby, and the remainder of this Declaration or the Governing Documents shall be construed as if such invalid part was never included therein. To that end, the provision of this Declaration are declared to be severable.

16. **Captions and Gender.** 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. The use of the masculine gender in this Declaration and in the Governing Documents shall be deemed to include the feminine and neuter references, and the use of the singular shall be deemed to include the plural whenever the context so requires.

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

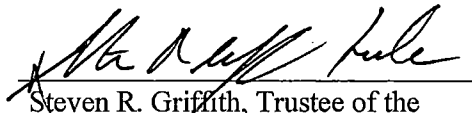
18. **Conflicts and Effective Date.** In case of conflicts between the provisions in this Declaration and the Governing Documents this Declaration shall control. The effective date of this Declaration shall be the date of its recording in the Register's Office for Wilson County, Tennessee.

IN WITNESS WHEREOF, the undersigned, the Declarant and owner of the Development Property to be subject hereto, has caused this Declaration to be duly executed this the 24th day of February 2021.

DECLARANT and OWNER:

**KDS Investments General Partnership
a Tennessee general partnership**

By:


Steven R. Griffith, Trustee of the
Steven R. Griffith Irrevocable Trust
dated December 9, 2016, Partner

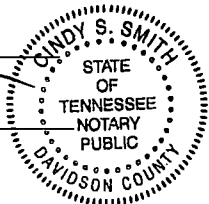
STATE OF TENNESSEE
COUNTY OF Davidson

Personally appeared before me, the undersigned, a Notary Public in and for said County and state, the within named Steven R. Griffith, Trustee of the Steven R. Griffith Irrevocable Trust dated December 9, 2016, as Partner of KDS Investments General Partnership, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence) and who upon his oath acknowledged himself to be the Partner of KDS Investments General Partnership, the within named bargainor, and that he as such Partner of KDS Investments General Partnership executed the within instrument for the purposes therein contained by signing the name of the company by the said Steven R. Griffith as Trustee of the Steven R. Griffith Irrevocable Trust dated December 9, 2016, as Partner of KDS Investments General Partnership.

Witness my hand and official seal at office, this 24th day of February 2021.

Notary Public

My Commission Expires: _____



My Commission Expires JULY 9, 2024

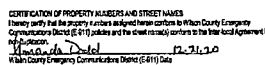
EXHIBIT A

[Development Property]

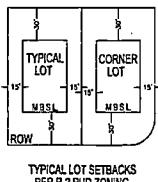
A certain tract or parcel of land situated in the 25th Civil District of Wilson County, Tennessee, described as follows, to-wit:

Being Tract 1 on the Boundary survey of the Mark Vastola Property, of record in Plat Book 26, page 361, Register's Office for Wilson County, Tennessee, also being displayed as Lots 1 thru 40 together with the common space on the Master Plan, Residential P.U.D. Belew Group, as of record in Plat Book 26, page 432, said Register's Office, to which references are being made for a more detailed description of said tract.

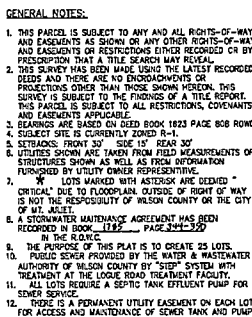
Also being displayed as Lots 1-12 and Lots 28-39, as said lots appear on the Plat of record in Plat Book P30, Page 382, Register's Office for Wilson County, Tennessee, together with all common areas and other property embraced within and appearing on said plat (said plat attached hereto and made a part hereof).



LOT	MFE
28	522.25
29	522.50
30	522.75
31	523.00
32	523.25
33	523.25
34	523.50
35	523.75
36	524.00



LOT	SQUARE FEET	ACRE
1	12,897.08	0.23
2	9,757.01	0.18
3	11,881.87	0.22
4	10,020.18	0.19
5	10,600.51	0.19
6	10,621.81	0.19
7	10,450.06	0.19
8	10,217.47	0.19
9	10,522.72	0.19
10	12,141.45	0.23
11	10,012.14	0.18
12	10,055.44	0.18
13	11,893.72	0.20
14	15,531.37	0.28
15	13,473.77	0.25
16	11,013.13	0.20
17	12,870.05	0.21
18	11,117.15	0.21
19	10,010.75	0.18
20	10,009.70	0.18
21	10,088.45	0.19
22	13,523.77	0.25
23	13,522.17	0.25
TOTAL LOTS: 25.00 ACRES		



FLOOD INSURANCE NOTE:
By graphics plotting only, this
X-4-AE of the Flood Insur.
No. 4710001450 effect
designations can only be determined
based on the above information.
Special Flood Hazard Area.
CRANFORD

KDS INVESTMENT GENERAL PARTNERSHIP
P.O. BOX 1955
MT. JULIET, TN 37121

MAP 118 PARCEL 001.00
PLAY 26 PAGE 361
DEED 1623 PG 608
18.11 ACRES TOTAL

ZONED R-2 PUD
DISTRICT 25

Doyle Elkins
Professional Land Surveyor
Registered in TN & AL

810 West College St. Suite 135
Nashville, TN 37203
Phone: 615-627-0823
Fax: 615-627-6466
Cell: 627-638-2014
email: dwe@KGC@yahoo.com



I HEREBY CERTIFY THIS IS A CATEGORY III SURVEY AND THE RATIO OF PRECISION FOR THE UNADJUSTED SURVEY IS GREATER THAN 1:15,000 AS SHOWN HEREON.

REVISION DATE	11 18 20	CERTIFICATE	
FINAL PLAT STEWARTS LANDING PHASE I S. MT. JULIET RD @ STEWARTS FERRY PK MT. JULIET, WILSON COUNTY, TN PREPARED FOR: KDS INVESTMENTS			
DATE	SCALE	SHEET	PROJECT
MAY 3, 2020	1" = 50'	1 OF 2	13304

EXHIBIT B

[By-Laws]

**BY-LAWS OF
Stewarts Landing, Phase I
OWNER'S ASSOCIATION, INC.**

**ARTICLE I
Members (Owners)**

Section 1. Eligibility. The members of Stewarts Landing Owner's Association, Inc. ("Association"), a mutual benefit unincorporated association, shall consist of the Owners of the property known as Stewarts Landing located in Mount Juliet, Wilson County, Tennessee (the "Property"). If an Owner is a trust, then the member shall be a Trustee of such trust, and if an Owner or such a beneficiary is a corporation or partnership, the member may be an officer, partner, employee or authorized agent appointed by resolution of the board of such corporation or partnership, of such Owner or beneficiary.

Section 2. Succession. The membership of each Owner shall terminate when he ceases to be an 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 Owner succeeding to such ownership interest.

Section 3. Regular Meetings. The first regular meeting of the Owners (the "First Meeting") may be held, subject to the terms hereof on any date, at the option of the Board; provided, however, that the First Meeting shall be held not less than ten (10) days, nor more than one hundred twenty (120) days after recording of the Declaration. Subsequent to the First Meeting there shall be a regular annual meeting of Owners held each year within fifteen (15) days of the anniversary of the First Meeting. All such meetings of Owners shall be held at such place in Wilson County, Tennessee, and at such time as specified in the written notice of such meeting which shall be delivered to both Owners at least ten (10) days prior to the date of such meeting.

Section 4. Special Meetings. Special meetings of Owners may be called by the President or by a majority of the Directors of the Association, or by a majority of Owners entitled to vote at such meeting. Special meetings shall be called by delivering written notice to all Owners not less than ten (10) days prior to the date of the meeting, stating the date, time and place of the special meeting and the matters to be considered.

Section 5. Delivery of Notice of Meeting. Notice to any Owner set forth herein shall be sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, facsimile transmission, or electronic transmission at the address or other contact information provided to the Board by the Owner or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail (certified mail with return receipt requested) or hand delivery to the Owner's Lot. It shall be the obligation of every Owner to notify the Board in writing of any change in address. Any Person who becomes the Owner after the date on which notice was made upon such Owner's predecessor in title to the Lot shall be deemed to have received such notice.

Section 6. Voting. Each Lot shall have one (1) vote. If any Owner consists of more than one (1) person, the voting rights of such Owner shall not be divided, but shall be exercised as if the Owner consisted of only one (1) person in accordance with the proxy or other designation made by the persons constituting such Owner. In the event of disagreement among such persons and an attempt by two (2) or more of them to cast such vote, such persons shall not be recognized, and such vote shall not be counted. The Declarant may exercise the voting rights with respect to Lots owned by it.

No Owner who is in default in the payment of his assessments hereunder shall be entitled to exercise his right to vote until he has cured such default. An Owner shall be deemed to be in default if he has not paid his assessments to the Association, or its agent, within fifteen (15) days after the due date thereof. An Owner may protest the amount of the assessment, but it still must be paid during the pendency of his protest to the Board.

Section 7. Quorum. A quorum of Owners for any meeting shall be constituted by Owners

represented in person or by proxy and holding Twenty (20%) percent of the votes entitled to be cast at such meeting.

ARTICLE II

Board of Directors

Section 1. Number, Election and Term of Office. The Board of Directors of the Association (sometimes referred to herein as the "Board") shall consist of five (5) members (hereinafter referred to as "Directors"). Directors shall be elected at the regular annual meeting of Association members by the vote of Owners, except that until such time as the First Meeting of members is held, the Directors (hereinafter called "members of the First Board") shall be appointed by the Declarant. Those candidates for election as Director receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected. Every Director, except for members of the First Board, shall hold office for the term of three (3) years and until his successor shall be elected and qualified. At the first regular annual meeting, the members shall elect one (1) Director for a term of one (1) year; one (1) Director for a term of two (2) years, and one (1) Director for the term of three (3) years. At each annual meeting thereafter, the members shall elect replacement Directors for a term of three (3) years.

Section 2. Qualification. Other than Declarant, Directors need be an Owner or the spouse of an Owner. If an Owner is a trustee of a trust, a Director may be a Trustee of such trust; and if an Owner or such a beneficiary is a corporation or partnership, a Director may be an officer, partner or employee of such Owner or beneficiary. If a Director shall cease to meet such qualifications during his term, he shall thereupon cease to be a Director and his place on the Board shall be deemed vacant. No more than one (1) representative to the Board may be elected from any Lot.

Section 3. Vacancies. Any vacancy occurring in the Board shall be filled by majority vote of the remaining members thereof. Any Director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the Director whom he succeeds.

Section 4. Meetings. A regular annual meeting of the Board shall be held within ten (10) days following the regular annual meeting of Owners. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours notice in writing to each Director, delivered pursuant to the notice requirements set forth herein. Any Director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Directors attendance at a meeting shall constitute his waiver of notice of said meeting.

Section 5. Removal. Any Director may be removed from office with or without cause by the vote of a majority of Owners.

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

Section 7. Quorum. A simple majority of Directors (three out of five) shall constitute a quorum.

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

- (a) to elect and remove the officers of the Association;
- (b) to administer the affairs of the Association and the Property;
- (c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer, and operate the Property or any part thereof for all Owners, upon such terms and for such compensation and with such authority as the Board may approve;
- (d) to formulate policies for the administration, management and operation of the

Property and the Common Areas;

- (e) to adopt rules and regulations, with written notice thereof to all Owners, governing the administration, management, operation and use of the Property and the Common Areas, and to amend such rules and regulations from time to time and to establish reasonable financial assessments for infractions thereof;
- (f) to provide for the maintenance, repair and replacement of the Common Areas and payments therefore, and to approve payment vouchers or to delegate such approval to the officers or the manager or Managing Agent;
- (g) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management, and operation of the Property and the Common Areas, 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 Owners their respective shares of such estimated expenses, as hereinafter provided;
- (k) to borrow unsecured money for the purpose of repair or restoration of Common Areas without the approval of the members of the Association;
- (l) to secure insurance policies as required by the Declaration, and in this regard, annually to review the amounts of coverage afforded by such policies;
- (m) unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of Owners as expressed in resolutions duly adopted at any annual or special meeting of Owners;
- (n) to be responsible for and maintain all streets, roads, utilities, and any other services of a public nature that are classified as Common Areas in the Declaration;
- (o) to exercise all other powers and duties of Owners as a group referred to in the laws for the State of Tennessee or in the Declaration or these By-Laws.

Section 9. Authority of Board to Act for Association. Whenever in these By-Laws the Association is given the power to take any action, it is the intention of these By-Laws that the Board shall act for the Association in all cases, except and to the extent that it is expressly provided that action be taken upon vote of the Owners.

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

ARTICLE III
Officers

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

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

(b) a Secretary/Treasurer, who shall keep the minutes of all meetings of the Board and of Owners, and who shall, in general, perform all the duties incident to the office of Secretary and who shall also be responsible for financial records and books of account and the manner in which such records and books are kept and reported;

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

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

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

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

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

ARTICLE IV Assessments

Section 1. Annual Budget. The Board shall establish an annual budget to provide for the needs of the Association. Such budget shall consider 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 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 consider the estimated net available cash income for the year from the lease, operation or use of the Common Areas. The annual budget shall provide for a reserve for contingencies for the year and replacements, in reasonable amounts as determined by the Board.

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 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 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. 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 Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each 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 Owner shall be relieved of his obligation to pay any assessment by abandoning or not using his Lot, the Common Areas, or for the failure of the Association and/or Board to undertake any actual or perceived action or function required by it.

Section 3. Partial Year or Month. Commencing with the date of purchase of his Lot, each Owner of a Lot shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Areas 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 of the end of each calendar year, or as soon thereafter as practicable, the Board shall cause to be furnished to each Owner a statement for such year, showing the receipts and expenditures and such other information as the Board may deem desirable.

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 Owner, and thereupon a supplemental assessment shall be made to each Owner for his proportionate share of such supplemental budget.

Section 6. Expenditures. After the Appointment Period, except for the expenditures and contracts specifically authorized by the Declaration and By-Laws, the Board shall not approve any expenditures in an amount in excess of ten (10%) percent of the annual budget for the then current year, unless required for emergency repair, protection or operation of the Common Areas, nor enter into any contract for more than three (3) years, without the prior approval of a majority of Owners.

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

If any 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 written notice of such provided to all Owners, and such delinquent payment together with interest at the rate of Fifteen (15%) per cent per annum. Such delinquent payment, together with penalty, interest, costs and reasonable attorney's fees, shall constitute a lien, as provided in the Act and the Declaration, enforceable by the Board, on the interest of such Owner in the Property.

The Association, or its successors and assigns, acting through the Board or 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, costs and reasonable attorney's fees to be fixed by the court. Furthermore, if any Owner shall fail or refuse to pay when due, his proportionate share of the common expenses, and such Owner withholds payment thereof after demand by the Association in writing setting forth the amount claimed, the Association shall have the right to possession of such Lot. The Association, acting through its Board, shall have the authority to exercise and enforce any and all rights and remedies as provided for in 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 Areas, specifying and itemizing the common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine.

The Board shall, upon receipt of fifteen (15) days written notice to the Association and upon payment of a reasonable fee, furnish to any Owner a statement of his account setting forth the amount of any unpaid assessment(s) or other charges due and owing from said Owner.

Section 9. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrances which in the opinion of the Board may constitute a lien against the Property or the Common Areas, but not against only a particular Lot. When less than all the Owners are responsible for the existence of any such lien, the 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 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 Owners in proportionate amounts.

ARTICLE V

Use and Occupancy Restrictions

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

Each Owner shall maintain his Lot and Improvement in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done on his Lot which may increase the cost or cause the cancellation of insurance on other Lots or on the Common Areas. No Owner shall display, hang, store or use any clothing, sheets, blankets, laundry or other articles on his Lot, or which may be visible from the street (other than draperies, curtains, or shades of a customary nature and appearance, subject to the Rules and Regulations of the Association), without written permission of the Board. No Owner shall display, hang, store, or use any sign, other advertising devices and/or other material ("Signage") on his Lot, which may be visible from the street, promoting commercial purposes or which shall be deemed offensive to Owners or on the Common Areas without the prior written permission of the Board. These restrictions do not apply to customary "For Sale" signs. Any Owner displaying any Signage which is offensive to Owners, shall remove said signage with within seven (7) days after written request from the Board is sent to the said Owner.

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

Section 2. Trash. Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time by Rules and Regulations of the Association.

Section 3. Use by Declarants. During the period of sale by Declarant of any Lots, Declarant, and Declarant's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Development Property as may be required for the purposes of sale of Lots. In addition, Declarant reserves the right to enter into, upon, over and under any Lot for a period of one (1) year after the date of sale of the Lot for such purposes as may be reasonably necessary for Declarant or its agents to service any Lot. While Declarant owns any of the Lots and until each Lot sold by it is occupied by Purchasers, Declarant and their employees may use and show one (1) or more of such unsold Lots as a model.

Section 4. Rules and Regulations. Owners shall be subject to such further restrictions as may be contained in Rules and Regulations of the Association concerning the use of Lots and the Common Areas which may be enacted from time to time by the Board. All such Rules and Regulations shall be binding Rules and Regulations of the Association unless rejected by unanimous vote of Owners, and copies of such Rules and Regulations and any amendments or additions thereto shall be furnished to all Owners.

ARTICLE VI

Contractual Powers

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

counted, if the circumstances specified in either of the following subparagraphs exists:

(a) the fact of the common directorship or financial interest is disclosed or known to the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director or Directors; or

(b) the contract or transaction is just and reasonable as to the Association at the time it is authorized or approved.

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

ARTICLE VII

Amendments

Section 1. Subject to Declarant's rights as set forth in the Declaration to which these By-Laws are attached, these By-Laws may be amended at any regular or special meeting of the Association where the affirmative vote of Sixty-Seven (67%) percent of Association Members entitled to vote and by an instrument in writing, setting forth such amendment, signed by the Association President with an acknowledgment of the date of such regular or special meeting having been held, a motion having been made and such vote having been held.

Any proposed amendment to these By-Laws shall require written notice of the proposed amendment to be delivered to members of the Association in writing at least fifteen (15) days prior to any meeting at which the subject amendment will be considered.

Section 2. Mortgagee Approvals. After the Appointment Period, approval must be obtained from eligible mortgage holders of a valid lien against a Lot in the Development Property (eligible mortgage holders shall be defined as those holders of a first mortgage on a Lot who have requested the Owner's Association to notify them on any proposed action that requires the consent of a specified percentage of eligible mortgage holders). A change to any of the following shall be considered under this Section, as material:

1. Voting Rights.
2. The priority of assessment liens.
3. Material reallocation of interests in the common areas or right to their use.
4. Withdrawal of the secured Lot from the project.
5. Imposition of any restriction on a secured Owner's right to sale or transfer his or her Lot.
6. Any action to terminate the legal status of Stewarts Landing Owners Association, Inc.

Section 4. Condemnation. Should the Owners consider termination of the legal status of Stewarts Landing Owner's Association, Inc., for any reason other than the substantial destruction or condemnation of the Development Property, eligible mortgage holders, as heretofore defined, that represent all of the mortgaged Lots must agree to said termination of said legal status. Each eligible mortgage holder shall be given written notification of said intent to terminate the legal status of the Association and shall have thirty (30) days in which to respond to said notice. An eligible mortgage holder who fails to submit a response to said written proposal for amendment within thirty (30) days after it receives proper notice of the proposal shall be deemed to consent to said amendment, providing that said notice was delivered by certified or registered mail, with a return receipt requested.

All amendments and modifications to these By-Laws shall be recorded in the Office of the Register's Office of Wilson County, Tennessee.

ARTICLE VIII

Indemnification

Section 1. General. To the extent permitted by law, the Association shall indemnify and hold harmless each of its Directors and officers, each member of 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 Owners, or arising out of their status as Directors, officers, or committee members, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or otherwise, in which any such Director, officer or committee member may be involved by virtue of such person's being or having been such Director, officer, or committee member, provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is no 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 2. Success on Merits. To the extent that a member of the Board, or an officer of the Association, or a member of any committee appointed pursuant to these By-Laws has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonable incurred by him in connection therewith.

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

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

ARTICLE IX

Mortgages

Section 1. Notice to Board. An Owner who mortgages his Lot shall, upon request from the Board, notify the Board of the name and address of his mortgagee and shall file a conformed copy of the deed of trust or mortgage with the Board.

Section 2. Notice of Unpaid Common Charges. The Board, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid common charges due from, or any other default by, the owner of the mortgaged Lot.

Section 3. Notice of Default. The Board, when giving notice to an Owner of a default in paying common charges or other default, may send a copy of such notice to each holder of a mortgage covering such Lot whose name and address has therefore been furnished to the Board.

Section 4. Examination of Books. Each Owner and each mortgagee of a Lot shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once a month and shall reimburse the Association for any expense incurred by generating copies of documents provided to such Owner and/or mortgagee.

Section 5. Interest of Valid First Mortgagee. Subject to the Declaration, the interest of a valid first mortgagee shall be superior to the interest of the Board in the event of a default, and nothing in this instrument shall be construed to the contrary. If the first mortgagee has incorporated the terms of these By-Laws, the Declaration in its deed of trust, then said first mortgagee may at its option declare a default in its deed of trust by reason of any default hereunder, and may proceed to enforce its rights according to the terms of the deed of trust notwithstanding any enforcement instituted by the Board.

ARTICLE X

Definition of Terms

The terms used in these By-Laws, to the extent they are defined therein, shall have the same meaning as set forth in the Declaration of Establishment for Stewarts Landing Owner's Association, Inc., of record in the Office of the Register of Deeds for Wilson County, Tennessee.

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

ARTICLE XI

Conflicts

In the event there is any conflict between these By-Laws and any provision of the Declaration, the Declaration shall control. To that end the provisions of these By-Laws are declared to be severable.

EXHIBIT C

[Owner's Association Articles of Incorporation]

PAGE : CHARTER	
MISTY THOMAS 476171 - 21005969	
02/22/2021 - 03:04 PM	
VALUE	
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	5.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	7.00
STATE of TENNESSEE, WILSON COUNTY	
JACKIE MURPHY	



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Stewarts Landing Owners Association, Inc.
PO BOX 1955
MOUNT JULIET, TN 37121-1955

February 22, 2021

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

SOS Control # :	001171624	Formation Locale:	TENNESSEE
Filing Type:	Nonprofit Corporation - Domestic	Date Formed:	02/22/2021
Filing Date:	02/22/2021 10:33 AM	Fiscal Year Close:	12
Status:	Active	Annual Report Due:	04/01/2022
Duration Term:	Perpetual	Image # :	B0985-1689
Public/Mutual Benefit:	Public		
Business County:	WILSON COUNTY		

Document Receipt

Receipt # : 006084483	Filing Fee:	\$100.00
Payment-Credit Card - State Payment Center - CC #: 3799606314		\$100.00

Registered Agent Address:
Stewarts Landing Owners Association, Inc.
STE 1201
545 N MOUNT JULIET RD
MOUNT JULIET, TN 37122-3978

Principal Address:
STE 1201
545 N MOUNT JULIET RD
MOUNT JULIET, TN 37122-3978

Congratulations on the successful filing of your Charter for Stewarts Landing Owners Association, Inc. in the State of Tennessee which is effective on the date shown above. You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee. Please visit the Tennessee Department of Revenue website (www.tn.gov/revenue) to determine your online tax registration requirements. If you need to obtain a Certificate of Existence for this entity, you can request, pay for, and receive it from our website.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.


Tre Hargett
Secretary of State

Phone (615) 741-2286 * Fax (615) 741-7310 * Website: <http://tnbear.tn.gov/>



001171624

**CHARTER
NONPROFIT CORPORATION**

SS-4418

**Tre Hargett**
Secretary of State**Division of Business Services
Department of State
State of Tennessee**
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102
(615) 741-2286

Filing Fee: \$100.00

For Office Use Only

-FILED-

Control # 001171624

The undersigned, acting as incorporator(s) of a nonprofit corporation under the provisions of the Tennessee Nonprofit Corporation Act, adopt the following Articles of Incorporation.

1. The name of the corporation is: **Stewarts Landing Owners Association, Inc.**

2. Name Consent: (Written Consent for Use of Indistinguishable Name)

☐ This entity name already exists in Tennessee and has received name consent from the existing entity.

3. This company has the additional designation of: **None**

4. The name and complete address of its initial registered agent and office located in the State of Tennessee is:
Stewarts Landing Owners Association, Inc.
STE 1201
545 N MOUNT JULIET RD
MOUNT JULIET, TN 37122-3978
WILSON COUNTY

5. Fiscal Year Close Month: **December** Period of Duration: **Perpetual**

6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:
(none) (Not to exceed 90 days)

7. The corporation is not for profit.

8. Please complete all of the following sentences by checking one of the two boxes in each sentence:

This corporation is a ☒ public benefit corporation / ☐ mutual benefit corporation.

This corporation is a ☐ religious corporation / ☒ not a religious corporation.

This corporation will ☒ have members / ☐ not have members.

9. The complete address of its principal office is:

STE 1201
545 N MOUNT JULIET RD
MOUNT JULIET, TN 37122-3978
WILSON COUNTY

(Note: Pursuant to T.C.A. §10-7-503 all information on this form is public record.)

SS-4418 (Rev. 1/13)

RDA 1678

Book 2049 Page 1074

0985-1689 02/22/2021 10:33 AM Received by Tennessee Secretary of State Tre Hargett

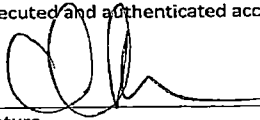


3985-1690 C2/22/2021 10:33 AM Received by Tennessee Secretary of State Tre Hargett

CHARTER NONPROFIT CORPORATION				SS-4418
 Tre Hargett Secretary of State	Division of Business Services Department of State State of Tennessee 312 Rosa L. Parks AVE, 6th FL Nashville, TN 37243-1102 (615) 741-2286 Filing Fee: \$100.00		<i>For Office Use Only</i> -FILED- Control # 001171624	
	The name of the corporation is: Stewarts Landing Owners Association, Inc.			
10. The complete mailing address of the entity (if different from the principal office) is: PO BOX 1955 MOUNT JULIET, TN 37121-1955				
11. List the name and complete address of each incorporator:				
Title	Name	Business Address	City, State, Zip	
Incorporator	Steven R. Griffith	545 N MOUNT JULIET RD SUITE 1201	MOUNT JULIET, TN 37122	
Incorporator	Cindy S Smith Attorney	2606 EUGENIA AVENUE SUITE B	NASHVILLE, TN 37211	
12. School Organization: (required if the additional designation of "School Organization - Exempt" is entered in section 3.) ☐ I certify that pursuant to T.C.A. §49-2-611, this nonprofit corporation is exempt from the \$100 filing fee required by T.C.A. §48-51-303(a)(1). ☐ This nonprofit corporation is a "school support organization" as defined in T.C.A. §49-2-603(4)(A). ☐ This nonprofit corporation is an educational institution as defined in T.C.A. §48-101-502(b).				
13. Insert here the provisions regarding the distribution of assets upon dissolution: In the event of dissolution of the Corporation, all assets will be distributed to another nonprofit organization with a similar purpose.				
14. Other Provisions:				
<i>(Note: Pursuant to T.C.A. §10-7-503 all information on this form is public record.)</i>				
Electronic		Incorporator		
Signature		Title/Signer's Capacity		
Cindy S Smith Attorney		Feb 22, 2021 10:33AM		
Printed Name		Date		

AFFIDAVIT FOR RECORDING

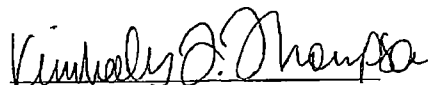
I, Cindy S. Smith, do hereby make oath that I am a licensed attorney and/or the custodian of the electronic version of the attached document tendered for registration herewith and that this is a true and correct copy or the original document executed and authenticated according to law.



Signature

State of Tennessee
County of Davidson

Personally appeared before me, Kimberly J. Thompson, a notary public for this county and state, Cindy S. Smith, who acknowledged that this certification of an electronic document is true and correct and whose signature I have witnessed.



Notary Public
My Commission Expires: _____

