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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR DOGWOOD GROVE SUBDIVISION, SIGNAL MOUNTAIN, TENNESSEE

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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR DOGWOOD GROVE SUBDIVISION, SIGNAL MOUNTAIN, TENNESSEE

THIS DECLARATION OF COVENANTS AND RESTRICTIONS is made this 9th day of April, 2008, by Sparta Homes, LLC, its capacity as the Developer (herein defined) and owner of the Property (herein defined).

Background:

A. Developer, as owner of certain real property located in the town of Signal Mountain, Hamilton County, Tennessee, and being more particularly described in Exhibit "A" hereto attached and herein incorporated, is in the process of creating thereon a residential development known as Dogwood Grove.

B. Developer desires to provide for the preservation of the land values and home values when and as the Property is improved and desires to subject the Development (herein defined) to certain covenants, restrictions, easements, affirmative obligations, charges and liens, as hereinafter set forth, each and all of which are hereby declared to be for the benefit of the Development and each and every Owner (herein defined) of any and all parts thereof.

C. It is the plan of the Developer to devote the Home Sites (herein defined) in the Development solely to restricted single family residential purposes.

D. Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, to create an entity to which should be delegated and assigned the power and authority of holding title to and maintaining and administering the Common Properties (herein defined) and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration and enforcement, as hereinafter created.

WHEREAS, Developer shall cause to be incorporated under the laws of the State of Tennessee, Dogwood Grove Homeowners Association, Inc., a Tennessee corporation not for profit, for the purpose of exercising the above functions and those which are more fully set out hereafter.

Declaration:

NOW, THEREFORE, Developer subjects the Property, as described in Exhibit "A" hereto attached and herein incorporated, to the terms of this Declaration and declares that the same is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (sometimes collectively referred to as "the Covenants") hereinafter set forth; and these Covenants shall touch and concern and run with the Property and each Home Site thereof.

ARTICLE I
DEFINITIONS

The following words and terms, when used in this Declaration, or any Supplemental Declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.01 Association. "Association" shall mean Dogwood Grove Homeowners Association, Inc., a Tennessee corporation not for profit, formed pursuant to the Charter filed with the Tennessee Secretary of State.

1.02 Board of Directors or Board. "Board of Directors" or "Board" shall mean the governing body of the Association established pursuant to this Declaration.

1.03 Bylaws. "Bylaws" shall mean the Bylaws of the Association.

1.04 Common Expense. "Common Expense" shall mean and include (a) expenses of administration, maintenance, repair or replacement of the Common Properties; (b) expenses agreed upon as Common Expenses by the Board or the Association; (c) expenses declared Common Expenses by the provisions of this Declaration; and (d) all other sums expended by the Board pursuant to the provisions of this Declaration or in administering the Development.

1.05 Common Properties. "Common Properties" shall mean those items of personal property, fixtures, or areas of land, with any improvements thereon, whether owned in fee simple or by virtue of an easement, license or otherwise, which are conveyed to the Association and/or are intended for the common use and enjoyment of all Owners (e.g., park areas, sidewalks, and entrance signs) a non-exclusive list of which is provided in Section 2.04 hereof.

1.06 Covenants. "Covenants" shall mean the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations and liens set forth in this Declaration.

1.07 Declaration. "Declaration" shall mean this Declaration of Covenants and Restrictions and any supplemental Declaration or amendments hereto filed pursuant to the terms hereof.

1.08 Development. "Development" shall mean the whole of Dogwood Grove development as being developed by Developer, including the Property described on Exhibit "A" and all other real property later subjected to this Declaration, if any.

1.09 Developer. "Developer" shall mean Sparta Homes LLC, a Tennessee limited liability company and its successors and assigns.

1.10 First Mortgage. "First Mortgage" shall mean a recorded Mortgage with priority over other Mortgages.

1.11 First Mortgagee. "First Mortgagee" shall mean a beneficiary, creditor or holder of a First Mortgage.

1.12 Home. "Home" shall mean any building situated within the Development designated and intended for use and occupancy by a single family.

1.13 Home Site or Home Sites. "Home Site" or "Home Sites" shall mean any improved or unimproved plat of land shown as a Home Site upon any recorded final subdivision map of any part of the Development, with the exception of Common Properties.

1.14 Manager. "Manager" shall mean a person or firm appointed or employed by the Board to manage the daily affairs of the Association in accordance with instructions and directions of the Board.

1.15 Member or Members. "Member" or "Members" shall mean any or all Owner or Owners who are Members of the Association.

1.16 Mortgage. "Mortgage" shall mean a deed of trust, as well as a mortgage.

1.17 Mortgagee. "Mortgagee" shall mean a beneficiary, creditor, or holder of any Mortgage.

1.18 Owner or Owners. "Owner" or "Owners" shall mean the record owner or owners, whether one or more persons, firms, associations, corporations, or other legal entities, of the fee simple title to any Home Site situated in the Development but, notwithstanding any applicable theory of a Mortgage, shall not mean or refer to the Mortgagee, unless and until such Mortgagee has acquired title pursuant to foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner. The Developer may be an Owner.

1.19 Property or Properties. "Property" or "Properties" shall mean all of that real property currently owned by Developer and described in Exhibit "A" hereto attached and herein incorporated.

1.20 Record or To Record. "Record" or "To Record" shall mean to record pursuant to the laws of the State of Tennessee relating to the recordation of deeds and other instruments conveying or affecting title to real property.

ARTICLE II
PROPERTIES, COMMON PROPERTIES AND IMPROVEMENTS THEREON;
ASSOCIATION AND BOARD

2.01 Property. The real property which is covered by this Declaration (including both Home Sites already subdivided and yet to be subdivided as well as Common Properties) is described on Exhibit "A", which shall be held, transferred, sold, conveyed, leased and occupied, subject to the Covenants contained in this Declaration.

2.02 Additions to Property. Developer may subject additional real property to this Declaration in the following manner or any other lawful manner:

A. Additions by Developer. The Developer, its successors and assigns, shall have the right, without further consent of the Association, to bring within the plan and operation

of this Declaration additional properties in future stages of the Development beyond that described in Exhibit "A" so long as they are contiguous with then existing portions of the Development. For purposes of this paragraph, contiguity shall not be defeated or denied where the only impediment to actual "touching" is a separation caused by a body of water, road, right-of-way or easement, and such shall be deemed contiguous. The additions authorized under this section shall be made by filing a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Covenants of this Declaration to such additional property after which it shall fall within the definition of Property as herein set forth. The Supplemental Declaration may contain such complementary additions and/or modifications of the Covenants contained in this Declaration as may be necessary or convenient, in the sole judgment of the Developer, to reflect the different character, if any, of the added properties and as are not inconsistent with this Declaration.

B. Separate Associations. For any property subjected to this Declaration pursuant to the provisions of this section, there may be established by the Developer, at its option, additional associations limited to the Owners and/or residents of such additional property in order to promote their social welfare, including their health, safety, education, culture, comfort and convenience of such additional property, to separately administer the affairs of the additional property, and to make and enforce rules and regulations and the Covenants.

2.03 Mergers. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, in the alternative, the properties, rights and obligations may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants established by this Declaration.

2.04 Common Properties and Improvements Thereon. The Developer has or may elect to install the following as amenities to the Development, all of which shall be deemed part of the Common Properties: (i) a 460-foot authentic clay Pine Hall brick road with vehicular rating of 12,000psi, (ii) two limestone etched entrance signs, as part of the two stone entrance walls with pedestrian arches, (iii) central clock tower with functioning double faced 54" roman numerals atomic clock, (iv) continuous 5-foot sidewalks, (v) continuous 8-foot irrigated fescue planted greenbelts, (vi) 12' center medians along with two teardrop cul-de-sac medians, (vii) tree plantings of pink/white dogwoods and October Glory red maples at minimum 12' intervals throughout the community (except where sidewalk/wheelchair ramps and future driveways will be placed), (viii) all of Lot 24 (as shown on Plat of record at Plat Book 89, Page 19, Register's Office of Hamilton County, Tennessee), which is reserved as a common park property and which features an upper and lower pond, 4 Zoeller pump (48,000gph) fed springhouse, village stream, all park plantings and irrigation, future covered bridge, community pool and gazebo, future safety railing and playground, and (ix) community lighting consisting of 6 entry wall post lamps, 8 pedestrian arched sconces, 8 well wall spotlights, 15 center median and cul-de-sac well lights, 2 clock tower spotlights, and 34 14' streetlamps at minimum 100' intervals. The Association is responsible for the operation, maintenance, repair and replacement of all Common Properties.

2.05 Association and Board; Access. The enforcement of this Declaration, the management, maintenance and control of the Common Properties and the other business of the

Development shall be conducted by the Association and the Board as provided herein and in the Bylaws. The Association shall be created and the Board shall be appointed/elected as provided in the Bylaws. To the extent reasonably necessary to enforce this Declaration or to perform any of the Covenants or the obligations of the Board and/or the Association, the Board and/or the Association shall have the right to access any Home Sites (but not to enter any Homes) and same shall not be deemed trespass.

ARTICLE III
PURPOSES, USES AND RESTRICTIONS

3.01 Common Properties. The Common Properties shall be used for the common benefit of the Owners and to enhance the appearance and liveability of the Development.

3.02 Home Site Residential Use.

A. All of the Home Sites in the Development shall be, and be known and described as, residential Home Sites, and no structure shall be erected, altered, placed or permitted to remain on any Home Site other than one (1) detached single family residential dwelling, subject to the terms and conditions as herein specified.

B. Home Sites may only be used for residential purposes. "Residential," refers to a mode of occupancy, as used in contradistinction to "business" or "commerce" or "mercantile" activity and, except where otherwise expressly provided, "residential" shall apply to temporary as well as permanent uses, and shall apply to vacant Home Sites as well as to buildings constructed thereon.

C. Home Sites, or any portion thereof, shall not be used as a means of service to business establishments or adjacent property, including but not limited to supplementary facilities or an intentional passageway or entrance into a business or another tract of land, whether or not a part of the Property, unless specifically consented to by Developer in writing.

3.03 Multi-Family Residences, Business. Homes shall not be designed, patterned, constructed or maintained to serve, or for the use of, more than one single family, and Homes shall not be used as a multiple family dwelling at any time, nor used in whole or in part for any business service or commercial activity where patrons or customers come and go, where commercial deliveries of supplies or equipment are made, or which otherwise is inconsistent with ordinary residential uses.

3.04 Sparta Homes As Sole Builder. Developer intends to manage and plan the aesthetics and construction of the entire Development. Accordingly, until Homes are constructed on all Home Sites, and unless specifically waived by Developer, Developer is the sole permitted builder of Homes in the Development. All purchases and sales of Home Sites are conditioned upon such purchasers entering into construction contracts with Developer for the construction of Homes thereon, and purchasers of Home Sites may not hire other builders to construct any Homes in the Development. Purchasers of Home Sites must choose a home design, from the 30 approved floor plans, within 90 (ninety) days from closing on the purchase of a Home Site and thereafter obtain financing and break ground on such Home construction within 9 (nine) months of closing on the purchase of a Home Site. If Purchaser is unable to obtain financing for such

construction or fails to select a Home Site or commence construction within the stated time frames, Developer has the right (but not the obligation) to re-purchase said Home Site back at the original sales price and assess against such purchaser a \$20,000 inventory penalty, to be deducted from the re-purchase sales price.

3.05 Design Guidelines. All Homes shall fall into 6 architectural groups as follows: European, French Country, English Tudor, Tuscan, Craftsman and Victorian. All Homes will have full masonry foundations, and no exposed block. All exterior walls of a Home above the foundations and all retaining walls will be covered with stone, brick, stucco, or siding to compliment the Home. All siding must be Hardie Siding or actual wood siding only. All sheet metal work (roof caps, flashings, vents, chimney caps) will be painted to match the roof. Each Home shall feature architectural Ecostar slate/shake shingles. All Homes shall comply with the most recent version of the Standard (Southern) Building Code, or any future recodification or restatement thereof. Developer shall make available approved floor plans for Homes prior to the commencement of construction to insure compliance with the terms of this Declaration; provided, however, that such approval shall be limited to compliance with this Declaration and shall not constitute any representation that the plans are adequate for any other purpose.

3.06 Minimum Square Footage. No dwelling house shall be erected or permitted to remain in the Development unless it has the number of square feet of enclosed living area, exclusive of covered porches or screened porches, carports, garages or basements, set forth in this section. For the purposes of this section, stated square footage shall mean the finished and heated living area contained within the residence, exclusive of open porches, garages, and steps. The minimum number of square feet required is 3,400.

3.07 Detached Buildings. Detached garages, outbuildings or servants quarters shall not be placed on any Home Site without the prior written consent of the Board which consent may be withheld or conditioned in the Board's sole discretion.

3.08 Garages. All garages must be courtyard, side or rear loading.

3.09 Fences. All fences constructed on any Home Site, including those to encompass a swimming pool, shall be constructed of steel, wrought iron, stone, brick or aluminum materials consistent with the style of home. Fences may not exceed four (4) feet in height. Chain link fences and wire fences (including but not limited to barbed wire fences) are prohibited.

3.10 Lawn Care. For the benefit of the Development, Owners are required to keep their lawns and landscaping healthy and manicured, including but not limited to keeping shrubs appropriately trimmed and lawns appropriately mowed and free of weeds and debris. The Developer and/or the Association may, in their sole discretion, elect to provide Owners a basic lawn care service (such as mowing grass and raking leaves) on either a voluntary or a mandatory basis; if same is provided on a voluntary basis, then Owners participating in the service may be charged a fee to cover the cost of service, which shall be in addition to the Association's customary assessments, and if same is provided on a mandatory basis, then the cost of such service shall be a Common Expense.

3.11 Signs; Mailboxes: No sign of any kind shall be displayed from any Home Site, with the exception of a customary "For Sale" sign to facilitate the sale of an Owner's personal residence. Developer is supplying uniform mailboxes for all Homes, and alternative mailboxes may not be used.

3.12 Yards. The front, the side and rear of each Home Site must be sodded with fescue, zoisia, or other grass approved by the Board.

3.13 Sidewalks. All Home Sites must have 5-foot wide sidewalks (i) along the lot front from one corner to the other corner; (ii) from the street sidewalk to the front door of the Home; and (iii) from driveway to front door of the Home.

3.14 Animals. No sheep, swine, goats, horses, cattle, burros, fowls (excluding household birds such as parrots and parakeets) or any like animals shall be permitted to be kept or to remain on any of the Home Sites, or to roam at large at the Development. There shall be no kennels permitted on any Home Site for the commercial breeding or boarding of domestic pets. Pet owners shall not allow pets to roam unattended, and pets shall be leashed if off their master's Home Site. Owners are responsible for cleaning up all animal waste from their pets from the Common Properties.

3.15 Antennas. Television antennae, dishes, radio receivers or senders or other similar devices shall not be attached to or installed on the exterior portion of any Home or other structure on any Home Site within the Development, except that twenty inch (20"), or smaller, satellite dishes shall be permitted as long as they are not visible from any angle of the development.

3.16 Vehicle Parking. Vehicles owned by Owners shall be parked only in the Owner's garage or driveway. No inoperable vehicle, tractor or other machinery shall be stored on any Home Site at any time, unless kept within a garage. No house trailer, boat or other such vehicle shall be stored at a Home Site or otherwise in the Development.

3.17 Zoning. Whether expressly stated so or not in any deed conveying any one or more of said Home Sites, each conveyance shall be subject to existing governmental zoning and subdivision ordinances or regulations in effect thereon.

3.18 Unsightly Conditions; Exterior Colors, Styles, and Decor. All of the Homes and Home Sites in the Development must, from the date of purchase, be maintained by the Owner in a neat and orderly condition (grass being cut when needed, as well as leaves, broken limbs, dead trees, and other debris being removed when needed, and Homes being kept painted and in a neat and clean condition and in a state of good repair). Tree limbs, rocks and other debris must be kept out of the streets. In the event that an Owner of a Home Site in the Development fails, of his own volition, to maintain his Home Site or Home in a neat and clean condition and a good state of repair, Developer, or its duly appointed agent, or the Board, or its duly appointed agent, may enter upon said Home Site without liability and proceed to put said Home Site into a state or condition compliant with this Section, billing the cost of such work to the Owner.

3.19 Offensive Activity. No noxious or offensive activity shall be carried on upon any Home Site, nor shall anything be done thereon which may be or may become an annoyance,

discomfort, embarrassment or nuisance to the Development or which may disrupt the peaceful and quiet enjoyment of any other Owner, including but not limited to the emanation of foul odors or disruptive noise.

3.20 Duty to Rebuild or Clear Upon Casualty or Destruction. In order to preserve the aesthetic and economical value of all Home Sites within the Development, each Owner and Developer (with respect to improved Property owned by Developer) shall have the affirmative duty to begin to rebuild, replace, repair, or clear, within a reasonable period of time (but no later than within 1 year), any Home or significant vegetation which shall be damaged or destroyed by fire or other casualty and to complete such rebuilding, replacing, or repairing within 18 months. Variations and waivers of this provision may be made only upon Developer or the Board establishing that the overall purpose of these Covenants would be best effected by allowing such a variation. Variations to this section are to be strictly construed and the allowance of a variance by the Developer or the Board shall not be deemed to be a waiver of the binding effect of this section upon all other Owners. In the event of damage or destruction by fire or other casualty, this provision shall control over other provisions contained herein regarding maintenance to and the condition of Homes and Home Sites.

3.21 Leasing and Subleasing. All leasing and subleasing of Homes and Home Sites, or any portion thereof, by any party is strictly prohibited.

ARTICLE IV VIOLATIONS AND ENFORCEMENT

4.01 Violations and Enforcement. In the event of the violation, or attempted violation, of any one or more of the provisions of these Covenants, the Developer, its successors or assigns, or the Association, its successors or assigns, including the Board acting on behalf of the Association, and any and all parties hereinafter becoming Owners, acting individually (but subject to **Articles VII and VIII**), of any one or more of the Home Sites to which provisions of these Covenants apply, may bring an action or actions against the Owner in violation, or attempting violation, for specific performance, and the said Owner if found to be in violation or attempted violation shall be further liable for such damages as may accrue, including any court costs and reasonable attorneys' fees incident to any such proceeding, which costs and fees shall constitute liquidated damages. The Developer or the Board may grant variances to the Covenants (but not including the reduction of the minimum square footage requirements as set forth herein), if such variances do not, in the sole discretion of the Developer or the Board, adversely affect the purposes sought to be obtained hereby.

ARTICLE V ASSESSMENTS

5.01 Creation of the Lien and Personal Obligation of Assessments. Each Owner by acceptance of a deed conveying a Home Site, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to all of the terms and provisions of the Covenants contained in this Declaration and to pay to the Association annual assessments and special assessments for the purposes set forth herein, such assessments to be fixed, established and collected from time to time as hereinafter provided. The Owner of each

Home Site shall be personally liable, such liability to be joint and several if there are two or more Owners, to the Association for the payment of all assessments, whether annual or special, which may be levied while such party or parties are Owners of a Home Site. The annual and special assessments, together with such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the Home Site and all of the improvements thereon against which each such assessment is made. Unpaid assessments shall bear interest from due date to date of payment at the rate set by the Board, and said rate can be changed from time to time so that the rate is reasonably related to the economic situation. In the event that two or more Home Sites are combined into a single Home Site by an Owner, the assessments will continue to be based upon the number of original Home Sites purchased.

5.02 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and for the improvement and maintenance of the Common Properties or the administration of the Development generally. The special assessments shall be used for the purposes set forth in **Section 5.04** of this Article.

5.03 Amount of Annual Assessment. Until the election of a Board to succeed Developer consisting entirely of persons other than Developer (or its appointees) as described in the Bylaws, the amount of the annual assessments shall be set and may be adjusted by the Developer as it deems appropriate relative to the budgetary needs of the Association. Annual assessments may be adjusted more frequently than annually if necessary (whether by the Developer or by the Board). After election of a Board consisting entirely of persons other than Developer, the annual budget for the Association and the amount of the annual assessments shall be set by the Board.

5.04 Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by this Article, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the Common Properties, including the necessary fixtures and personal property related thereto, capital improvements or additions to the Common Properties or any other unanticipated expense of the Association.

5.05 Property Subject to Assessment. Only Home Sites subject to this Declaration shall be subject to these assessments. Common Properties and projected locations for future platted Home Sites will not be subject to assessment, unless and until such locations are subdivided into Home Sites. Home Sites subject to assessment shall be based on the original number of lots platted by Developer in the Development, and if an Owner purchases more than one Home Site, such shall not permit such Owner to reduce the total assessments due from him for each of the originally platted lots, regardless of whether such Owner combines multiple Home Sites into a single subdivided lot.

5.06 Exempt Property. No Owner may exempt himself from liability for any assessment levied against his Home Site by waiver of the use or enjoyment of any of the Common Properties or by abandonment of his Home Site or in any other way.

The following property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from the assessment, charge and lien created herein:

- (a) All Home Sites owned by the Developer.
- (b) The grantee of a utility easement.
- (c) All properties dedicated and accepted by a local public authority and devoted to public use.
- (d) All Common Properties.
- (e) All Properties exempted from taxation by the laws of the State of Tennessee, upon the terms and to the extent of such legal exemptions. This exemption shall not include special exemptions, now in force or enacted hereinafter, based upon age, sex, income levels or similar classification of the Owners.

5.07 Date of Commencement of Annual Assessments.

A. Imposition of the annual assessments provided for herein shall commence with the first sale of the first Home Site.

B. The amount of the first annual assessment on a Home Site shall be based pro rata upon the balance of the calendar year and shall become due and payable on the closing of the Home Site. The assessments for any year, after the first year, shall become due and payable the first day of January of said year.

C. The due date of any special assessment shall be fixed in the resolution authorizing such assessment.

5.08 Lien. Recognizing that the necessity for providing proper operation and management of the Development entails the continuing payment of costs and expenses therefor, the Association is hereby granted a lien upon each Home Site and the improvements thereon as security for the payment of all assessments against said Home Site, now or hereafter assessed, which lien shall also secure all costs and expenses, and reasonable attorney's fees, which may be incurred by the Association in enforcing the lien upon said Home Site. The lien shall become effective on a Home Site immediately upon the closing of that Home Site. The lien granted to the Association may be foreclosed as other liens are foreclosed in the State of Tennessee. Failure by the Owner or Owners to pay any assessment, annual or special, on or before the due dates set by the Association for such payment shall constitute a default, and this lien may be foreclosed by the Association.

ARTICLE VI MORTGAGES, MORTGAGEES AND PROCEDURES AND RIGHTS RELATING THERETO

6.01 Subordination of Lien to First Mortgages. The liens provided for in this Declaration shall be subordinate to the lien of a First Mortgage on any Home Site if, and only if, all assessments, whether annual or special, with respect to such Home Site having a due date on or prior to the date such Mortgage is recorded have been paid. In the event any such First Mortgagee (i.e., one who records a Mortgage on a Home Site for which all assessments have

been paid prior to recording) shall acquire title to any Home Site by virtue of any foreclosure, deed in lieu of foreclosure, or judicial sale, such Mortgagee acquiring title shall only be liable and obligated for assessments, whether annual or special, as shall accrue and become due and payable for said Home Site subsequent to date of acquisition of such title; provided, however, nothing contained herein shall be construed as releasing the party or parties liable for such delinquent assessments from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

ARTICLE VII OWNER COMPLAINTS

7.01 Scope. The procedures set forth in this Article for Owner complaints shall apply to all complaints by Owners regarding the use or enjoyment of the Property or any portion thereof or regarding any matter within the control or jurisdiction of the Association, including, without limitation, decisions of the Association or of the Board. No Owner shall bring suit against the Board, the Association or another Owner without first complying with the procedures for complaints herein established.

7.02 Form of Complaint. All complaints shall be in writing and shall set forth the substance of the complaint and the facts upon which it is based. Complaints are to be addressed to the Board and sent in the manner provided in **Section 9.03** for sending notices.

7.03 Consideration by the Board. Within twenty (20) days of receipt of a complaint, the Board shall consider the merits of the same and notify the complainant in writing of its decision and the reasons therefor. Within ten (10) days after notice of the decision, the complainant may proceed under **Section 7.05** ; but if complainant does not, the decision shall be final and binding upon the complainant.

7.04 Hearing Before the Board. Within ten (10) days after notice of the decision of the Board, the complainant may, in a writing, request a hearing before the Board. Such hearing shall be held within twenty (20) days of receipt of complainant's request. The hearing may be adjourned from time to time as the Board in its discretion deems necessary or advisable. The Board shall render its decision and notify the complainant in writing of its decision and the reasons therefor within ten (10) days of the final adjournment of the hearing.

7.05 Further Relief. After complying with the provisions of this Article, an Owner may pursue such additional relief at law or in equity as he/she deems himself/herself to be entitled.

ARTICLE VIII REMEDIES ON DEFAULT

8.01 Scope. Each Owner shall comply with the provisions of this Declaration, the Bylaws and the Rules and Regulations of the Association as they presently exist or as they may be amended from time to time, and each Owner shall be responsible for the actions of his or her family members, servants, guests, occupants, invitees or agents.

8.02 Grounds for and Form of Relief. Failure to comply with any of the Covenants of this Declaration, the Bylaws, or the Rules and Regulations promulgated by the Board which may

be adopted pursuant thereto shall constitute a breach of this Declaration and shall entitle the Association, the Board, and any Owner to seek relief which may include, without limitation, an action to recover any unpaid assessment, annual or special, together with interest as provided for herein, any sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association or, if appropriate and not in conflict with the provisions of this Declaration or the Bylaws, by an aggrieved Owner. The Board also is empowered to impose reasonable fines for breach of this Declaration, and such fines, if unpaid, shall be deemed an assessment and shall become a lien against the Home Site of the Owner in question.

8.03 Recovery of Association Expenses. In any proceeding or other enforcement efforts arising because of an alleged breach by an Owner, the party seeking enforcement, if successful, shall, in addition to the relief provided for herein, be entitled to recover the costs of the proceeding and/or efforts and such reasonable attorneys' fees as may be allowed by the court, but in no event shall the allegedly defaulting Owner be entitled to such attorneys' fees if the party seeking enforcement is unsuccessful.

8.04 Waiver. The failure of the Association or of an Owner to enforce any right, provision, covenant or condition which may be granted herein or the receipt or acceptance by the Association of any part payment of an assessment shall not constitute a waiver of any breach of a Covenant, nor shall same constitute a waiver to enforce such Covenant(s) in the future.

8.05 Election of Remedies. All rights, remedies and privileges granted to the Association, the Board, or an Owner or Owners pursuant to any term, provision, covenant or condition of this Declaration or the Bylaws shall be deemed to be cumulative and in addition to any and every other remedy given herein or otherwise existing, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to any such party at law or in equity.

ARTICLE IX GENERAL PROVISIONS

9.01 Duration. The Covenants of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Board, the Association, the Developer or Owner of any Home Site subject to this Declaration, their respective legal representatives, heirs, successors and assigns.

9.02 Amendments. This Declaration may be amended, modified or revoked in any respect from time to time by the Developer prior to the date that a Board consisting entirely of persons other than the Developer (or its appointees) is elected in accordance herewith and with the Bylaws. Thereafter, this Declaration may be amended in accordance with the following procedure:

A. An amendment to this Declaration may be considered at any annual or special meeting of the Association; provided, however, that, if considered at an annual meeting, notice of consideration of the amendment and a general description of the terms of such

amendment shall be included in the notice of the annual meeting provided for in the Bylaws, and, if considered at a special meeting, similar notice shall be included in the notice of the special meeting provided for in the Bylaws.

B. At any such meeting, the amendment must be approved by an affirmative three-fourths (3/4ths) vote of those Owners represented at the meeting.

C. An amendment adopted under **Paragraph B** of this section shall become effective upon its recording in the Register's Office of Hamilton County, Tennessee, and either the President of the Association or Secretary of the Association shall execute, acknowledge and record the amendment and shall certify on its face that it has been adopted in accordance with the provisions of this section. The certificate shall be conclusive evidence to any person who relies thereon in good faith, including, without limitation, any Mortgagee, prospective purchaser, tenant, lienor or title insurance company that the amendment was adopted in accordance with the provisions of this section.

D. The certificate referred to in **Paragraph C** of this section shall be in substantially the following form:

CERTIFICATE

I, _____, do hereby certify that I am the _____ of Dogwood Grove Homeowners Association, Inc. and that the within amendment to the Declaration of Covenants and Restrictions of Dogwood Grove was duly adopted by the Owners of said Association, in accordance with the provisions of **Section 9.02** of said Declaration.

Witness my hand this _____ day of _____.

Print Name: _____

Title: _____

_____, Inc.

9.03 Notices. Any notice required to be sent to any Owner or Mortgagee under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, postpaid, to the last known address of the Owner or Mortgagee on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a Home Site shall constitute notice to all co-owners. It shall be the obligation of every Owner to immediately notify the Board in writing of any change of address. Any notice required to be sent to the Board, the Association or any officer thereof, or the Developer under the provisions of this Declaration shall likewise be deemed to have been properly sent, and notice thereby given, when mailed, postpaid, to such entity or person at the following address:

4446 Shackleford Ridge Road
Signal Mountain, Tennessee 37377

The address for the Board, the Association, or any officer thereof may be changed by the Secretary or President of the Association by executing, acknowledging and recording an amendment to this Declaration stating the new address or addresses. Likewise, the Developer may change its address by executing, acknowledging, and recording an amendment to this Declaration stating its new address. Amendments changing the Developer's or the Association's/Board's notice address shall not be subject to the voting requirements in **Section 9.02** .

9.04 Severability. Should any covenant or restriction herein contained, or any article, section, subsection, sentence, clause, phrase or term of this Declaration be declared void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable, and which shall remain in full force and effect.

9.05 Captions. The captions herein are inserted only as a matter of convenience and for reference and are in no way intended to define, limit or describe the scope of this Declaration nor any provision hereof.

9.06 Use of Terms. Any use herein of the masculine shall include the feminine, and the singular the plural, when such meaning is appropriate.

9.07 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

9.08 Law Governing. This Declaration is made in the State of Tennessee, and any question pertaining to its validity, enforceability, construction or administration shall be determined in accordance with the laws of that State.

9.09 Effective Date. This Declaration shall become effective upon its recording.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Developer has executed, or caused to have executed by its duly authorized officers this Declaration on the date first above written.

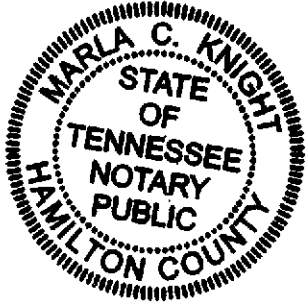
Sparta Homes LLC, a Tennessee limited liability company

By: [Signature]
Kostas Iannois, President/Chief Manager

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Personally appeared before me, Marla C. Knight, a Notary Public in and for said State and County duly commissioned and qualified, Kostas Iannois, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President/Chief Manager of Sparta Homes, LLC, a Tennessee limited liability company, and is authorized by the Company to execute this instrument on behalf of the Company as President/Chief Manager.

WITNESS my hand, at office, this 9th day of April, 2008.



[Signature]
Notary Public
My Commission Expires: 7/21/2010

EXHIBIT A

IN SIGNAL MOUNTAIN, HAMILTON COUNTY, TENNESSEE:

All of that real property subdivided by plat of record at Plat Book 89, Page 19, Register's Office of Hamilton County, Tennessee (the "Plat"); including but not limited to the lots identified thereon as Lots 1 through 24, and all entrance areas, common areas, community lots, streets and public ways and medians therein.

For prior title, see instrument recorded at Book 8050, Page 196, aforesaid Register's Office.

True Copy Certification

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

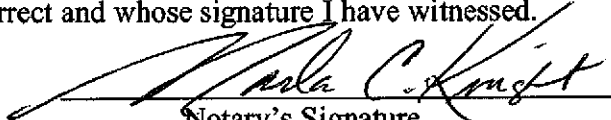


Signature

State of TENNESSEE

County of HAMILTON

Personally appeared before me, Marla C. Knight, a notary public for this county and state, Thomas L. Hayslett, III, Esq., who acknowledges that this certification of an electronic document is true and correct and whose signature I have witnessed.



Notary's Signature

My Commission Expires: 7/21/2010
Notary' Seal (if on paper)

