

DECLARATION OF COVENANTS AND RESTRICTIONS OF
LAKE NORRIS LANDING
A RESIDENTIAL SUBDIVISION LOCATED ON NORRIS LAKE

STATE OF TENNESSEE

COUNTY OF CLAIBORNE

THIS DECLARATION, made on the date hereinafter set forth by NLP ONE, LLC, a Limited Liability Company, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of the Real Property described in Article III of this Declaration and desires to create thereon a residential community with designated "Lots," "Common Properties" and "Common Facilities" (as those terms are defined herein) for the benefit of the present and future owners of said Lots; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said Common Properties and Common Facilities, and, to this end desires to subject the real property described in Article III, together with such additions as may hereafter be made thereto (as provided in Article III), to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering the Common Properties and Common Facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant may cause a non-profit organization to be created under the Laws of the State of Tennessee, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Declarant, in order to protect its interest and that of subsequent Lot owners and Homeowners within the property as described herein, and in order to insure the uniform and desirable use, occupancy and improvements on said real property hereby declares that the real property described in Article III is and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, restrictions, easements, charges, and liens (some times referred to herein collectively as "covenants and restrictions") hereinafter set forth.

ARTICLE I
Definitions

The following words, when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" (HOA) shall mean and refer to the nonprofit organization, which Declarant may cause to be created as herein provided, its successors and assigns.

(b) "The Properties" shall mean and refer to the properties described in Article III hereof, which are subject to this Declaration.

(c) "Subdivision Plats" shall mean and refer to the respective maps or plats of Lake Norris Landing located on and around the waters of Norris Lake recorded in the Register of Deeds of Claiborne County, Tennessee.

(d) "Lot" and/or Lots" shall mean and refer to each of the lots shown upon the Subdivision Plats. References herein to "the Lots (each Lot) in The Subdivision" shall mean and refer to Lots as defined respectively in this Declaration and all Supplemental Declarations.

(e) "Common Properties" shall mean and refer to all those areas of land within the Properties as shown on the Subdivision Plats, except the Lots and the streets shown thereon, together with such other property as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plats, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to "the Common Properties in The Subdivision" shall mean and refer to Common Properties as defined respectively in this Declaration and all Supplemental Declarations.

(f) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly excluded herein. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of all Owners constructed on portions of one or more Lots or on acreage owned by Declarant (or Declarant and others) which is not a part of the Properties, by way of illustration, Common Facilities May include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment; fountains; statuary; sidewalks; common driveways; landscaping; swimming pools; tennis courts; boat ramps and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in The Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

(g) "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the scheme of this Declaration under the authority provided in Article III hereof.

(h) "Owner" shall mean and refer to the record owner, or if such Lot is subject to a term purchase contract with Declarant, to the contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners in The Subdivision" shall mean and refer to Owners as defined in this Declaration and all Supplemental Declarations.

(i) "Member" and/or Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 4 hereof, together with all the Owners in The Subdivision who are members of the Association as provided in all Supplemental Declarations.

(j) "Architectural Review Committee" shall mean a committee established to review proposed Improvements and take other actions as provided in Article VII hereof. It shall be composed of three (3) or more individuals selected by Declarant until all of the units are sold, and by the Association thereafter. It may adopt or promulgate any rule or regulation, conduct any review or investigation, make any findings, grant or withhold any approval, authorization or permission, and take any other action reasonably necessary or desirable to enforce or carry out the terms and intentions of this Declaration. A vote of at least fifty-one percent (51%) of its members shall be necessary for a decision.

(k) "Association By-Laws" shall mean and refer to a document drawn up by the Declarant and recorded in the Claiborne County Register of Deeds establishing the rules and regulations governing the Association and specifically outlining, among other things, the process by which the trustees will be elected after 95% of the lots are sold.

ARTICLE II

Easements

Section 1. Existing Easements. The Subdivision Plats dedicate for use as such, subject to the limitations set forth therein, certain streets and easements shown thereon, and such Subdivision Plats further establish dedications, limitations, reservations and restrictions applicable to the Properties. Further, Declarant and Declarant's predecessors in title have heretofore granted, created and dedicated by several recorded instruments, certain other easements and related rights affecting the Properties. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat and all grants and dedications of easements and related rights heretofore made by Declarant and Declarant's predecessors in title affecting the Properties are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Properties.

Section 2. Changes and Additions. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements or further joining adjoining properties. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at any time or from time to time, easements for public utility purposes, (including, without limitation, gas, electricity, telephone and drainage) in favor of any person or entity furnishing or to furnish utility services to the Properties, along and on either or both sides of any side Lot line, such easements shall have a maximum width of five (5) feet on each side of such side Lot line.

Section 3. Title to Easements and Appurtenances Not Conveyed. Title to any Lot conveyed by Declarant by Contract, Deed, or other conveyance shall not be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way, or any pipes, lines, poles, or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot or any other portion of the Properties, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 4. Installation and Maintenance. There is hereby created an easement upon, across, over and under all of the Properties for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, telephones, electricity, gas and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, on, above, across and under, the Properties within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this paragraph, no sewer, electrical lines, water lines, or other utilities or appurtenances thereto may be installed or relocated on the Properties until approved by Declarant or the Association's Board of Trustees. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Subdivision Plat, and to trim overhanging trees, and shrubs located on portions of the Properties abutting such easements.

Section 5. Emergency and Service Vehicles. An easement is hereby granted to all fire protection, ambulance and other emergency vehicles, and to garbage and trash collection vehicles, and other service vehicles to enter upon the properties in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees and management personnel to enter the Properties to render any service.

Section 6. Electric Service. An electric distribution system will be installed to the Properties, which will be designated a Residential Subdivision, and which service area shall embrace all Lots in The Properties. The owner of each Lot in the Residential Subdivision shall, at his own cost, furnish, install, own, and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on the customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company, at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot.

Section 7. Surface area. The surface of easement areas for utility services may be used for planting of shrubbery, trees, lawns, or flowers, However, neither the Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

ARTICLE III

Property Subject to this Declaration

Section 1. Description. The real property, which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration, consists of the following:

- (a) See plats certified and filed of record on the 23rd day of September 2010 and on the 13th day of October, 2010 in Plat Book 5, Page 16; Plat Book 5, Page 17; Plat Book 5, Page 20 and Plat Book 5, Page 21 and correction in Plat Book 5, Page 24 in the Register's Office for Claiborne County, Tennessee.

All of which real property is sometimes hereinafter referred to as the "Existing Property or The Properties."

Section 2. Mineral Exceptions. Mineral rights are not conveyed with the property and the buyer waives all rights to subsurface all oil, gas, and other minerals. The owner of each lot may apply to the ACC for a variance to access gas or water for personal uses, but access does not have to be granted.

Section 3. Additions to Existing Property. Additional lands may become subject to the scheme of this Declaration in the following manner:

- (a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development

(including, without limitation, subsequent sections of Lake Norris Landing Subdivision and all or portions of other subdivisions being or to be developed by Declarant or affiliated or subsidiary entities), upon the approval of the Board of Trustees of the Association, in its sole discretion. Any additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property and the execution thereof by members of the Board of Trustees of the Association shall constitute all requisite evidence of the required approval thereof by such Board of Trustees. Such Supplemental Declaration must impose an annual maintenance charge assessment: on the property covered thereby, on a uniform, per lot basis substantially equivalent to the maintenance charge and assessment imposed by this Declaration, and may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be applicable to the additional lands.

(b) Other additions, upon the approval of the Board of Trustees of the Association, (such approval to be at the sole discretion of the Board of Trustees of the Association), the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplemental Declaration of Covenants and Restrictions upon the satisfaction of the conditions specified in subsection (a) above.

(c) Mergers. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving company or corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration or any Supplemental Declaration.

(d) Any developer owned out parcels located adjacent to the properties must become part of the HOA and abide by this Declaration, unless out parcel is deemed a Public Urban Development.

ARTICLE IV

The Association

Section 1. Organization. The Declarant shall cause the Association to be organized and formed as a non-profit organization under the laws of the State of Tennessee.

Section 2. Purpose. The purpose of the Association in general shall be to provide for and promote the health, safety, and welfare of the Members, to collect the annual maintenance charges and other charges as provided herein, and to administer the Maintenance fund, to provide for the maintenance, repair, preservation, upkeep, and protection of the Common Properties and Facilities in The Subdivision and such other purposes as are stated in this Declaration and all Supplemental Declaration.

Section 3. Trustees. The Declarant shall appoint a 3 member temporary Board of Trustees who will cause the Maintenance fund to be managed by an approved third party and conduct/direct all activities until ninety-five (95%) percent of the lots are sold and then the Association shall act through a five (5) member Board of Trustees, which shall manage the affairs of the Association.

Section 4. Members. Each Owner whether one or more persons or entities shall, upon and by virtue of becoming such Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary for any instrument to provide for the transfer of membership in the Association, and no certificate of membership will be issued.

Section 5. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all the Members of the Association, with the exception of the Declarant. Class A Members shall be entitled to one vote for each Lot in The Subdivision in which they hold the interest required for membership by this Declaration or any Supplemental Declaration. When more than one person holds such interest or interests in any such Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event, shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to Five (5) votes for each Lot in the Subdivision in which it holds the interest required for membership by this Declaration or any Supplemental Declaration; provided that the Class B membership shall cease and become converted to Class A membership upon the earlier of the following events, to occur:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) On January 1, 2020.

From and after the happening of whichever of these events occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) Vote for each Lot in The Subdivision in which it holds the interest required for membership by this Declaration or any Supplemental Declaration. Any Class B Member converted as set forth herein shall be exempt from paying any annual maintenance charge and said exemption shall continue until ownership transfers to a person or entity other than the Declarant or any of its subsidiaries.

Section 6. Title to Common Properties. The Declarant may retain legal title to Common Properties and Facilities in The Subdivision until such time as it has completed improvements thereon and until such time as, in the sole opinion of Declarant, the Association is able to operate and maintain the same. Until Declarant has conveyed title to such Common Properties and Facilities to the Association, Declarant shall be entitled to exercise all rights and privileges relating to such Common Properties and Facilities granted to the Association in this Declaration and all Supplemental Declarations.

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1. Members Easements of Enjoyment. Subject to the provisions of Section 2 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties Common easements, Common walking trails and Common Facilities in the Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to each Lot in The

Subdivision. Provided, however, that the designated walking trails within the Subdivision and that may encompass and include a portion of property either owned or controlled by the US Army Corps of Engineer shall only be used for pedestrian walking unless otherwise authorized by the controlling governmental agency.

Section 2. Extent of Member Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in its discretion, to charge reasonable admission and other fees for the use of the recreational Common Facilities, and to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of the Common Properties and Facilities or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Member. These rules and regulations may include provisions to govern and control the use of such Common Properties and Facilities by guests or invitees of the Members, including, without limitation, the number of guests or invitees who may use such Common Properties and Facilities or any part thereof at the same time; and

(b) The right of the Association to grant or dedicate easements in, on, under or above such Common Properties or any part thereof to any public or governmental agency or authority, or to any utility company for any service to The Subdivision or any part thereof; and

(c) The right of the Association to transfer title to any storm sewer line, sanitary sewer line, water line, or any other utility facility or equipment situated in any part of such Common Properties and owned by the Association to any public or political authority or agency or, to any utility company rendering or to render service to The Subdivision or any part thereof; and

(d) The right of the Association to convey or dedicate such portions of such Common Properties as its Board of Trustees may deem appropriate to governmental authorities, political subdivision or other persons or entities for use as the location of schools, churches, and hospitals, or for other similar purposes related to the health, safety, and welfare of the Members; and

(e) The right of the Association to enter management and/or operating contracts or agreements relative to the maintenance and operation of such Common Properties and Facilities in such instances and on such terms as its Board of Trustees may deem appropriate; the right of the Association to enter management and /or operating contracts or agreements with a third party to collect association fees and grant said party any and all authority in which to enforce the association fees or any other provision of these covenants and restrictions; the right of the Association to operate recreational facilities and related concessions located on such Common Properties; the right of the Association to enter lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to Common Facilities in such instances and on such terms as its Board of Trustees may deem appropriate; and

(f) The right of the Association to suspend the voting rights of a Member or his right to use any recreational Common Facility during any period of default in excess of thirty (30) days in the payment of any maintenance charge assessment against his Lot; and to suspend such rights for a period not to exceed sixty (60) days for any infractions of its published rules and regulations; and the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in this Declaration and Supplemental Declaration or in its Bylaws or at law or in equity on account of any such default or infraction; and

(g) The rights and easements existing, herein created or hereafter created in favor of others, as provided for in Article II of this Declaration and the Supplemental Declarations; and

(h) The restrictions as to use of the Common Properties provided for in Article VIII hereof.

Section 3. Delegation of Use. Any Member may delegate his right of use and enjoyment of the Common Properties and Facilities in The Subdivision, together with all easement rights granted to Members in this Declaration and all Supplemental Declarations, to the members of his family, his tenants, or contract purchasers who reside on his Lot. The term "Member" is further defined to include and refer

to the executors, personal representatives and administrators of any Member, and all other persons, firms, companies or corporations acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or any other legal manner.

Section 4. Limited Use of Golf Cart Type Vehicles. ATV's and other vehicles comparable to same such as a Kawasaki Mule or Polaris Ranger and golf cart type vehicles may be operated on the Common Areas and within the subdivision as long as the noise level is maintained at a minimum and use of same does not create a nuisance as determined by the Homeowner Association. The use of dirt bikes within the subdivision shall be prohibited. Any ATV or motorized vehicles are not allowed to be operated on property owned or controlled by the US Army Corps of Engineers without the permission and/or authority from the proper agency.

ARTICLE VI

Assessments

Section 1. The Maintenance Fund. All funds collected by the Association from the regular maintenance charges provided for in this Article, together with all funds collected by the Association from the regular annual maintenance charges imposed on the Lots in The Subdivision by all Supplemental Declaration, shall constitute and be known as the "Maintenance Fund". The Maintenance Fund shall be held, used, and expended by the Association for the common benefit of all Members for the following purposes, to-wit: to promote the health, safety, recreation, and welfare of the Members, including, without limitation, the installation, construction, erection, maintenance and relocation of improvements related to the enhancement and beautification of the Common Properties and Facilities in The Subdivision, and any other areas provided by this Declaration or any Supplemental Declaration to be developed or maintained by the Association, such as shrubbery trees, walkways and street lights, and the construction, repair, maintenance and replacement of properties, services, improvements and facilities devoted to such purposes and related to the use and enjoyment of The Subdivision by the Members, (including, but not limited to roads in Subdivision.)

In the event Declarant shall designate Common Facilities for the use and benefit of all the Owners in the Subdivision which are situated on property owned by Declarant or affiliated or subsidiary entities but which have not been brought within the scheme of this Declaration under the authority provided in Article III hereof, the Association shall have the right and authority to allocate and expend such amounts from the Maintenance Fund for construction, repair maintenance, upkeep, beautification, improvement or replacement of such Common Facilities situated on the Property which are not subject to the scheme of this Declaration and which are for the use and benefit of persons or entities other than the Owners in The Subdivision, the Association shall have the right and authority to enter agreements with other persons or entities enjoying the use and benefit of such Common Facilities (or their designee), in such instances and on such terms as its Board of Trustees may deem appropriate and acceptable, obligating the Association to contribute, from the Maintenance Fund, a ratable portion of the amounts necessary from time to time to provide for the construction, repair, maintenance, upkeep, beautification, improvement or replacement of such Common Facilities, and providing for other agreements relative to the use and enjoyment of such Common Facilities (including limitations on the extent of the use and enjoyment thereof) by the various persons and entities entitled thereto.

The Association may, in its sole discretion, give one or more of the purposes set forth in this Section 1 preference over other purposes, and it is agreed that all expenses incurred and expenditures and decisions made by the Association in good faith shall be binding and conclusive on all Members.

In the event Declarant shall operate any Common Facility in The Subdivision, or such Common Facility shall be operated by others on behalf of Declarant under agreement authorized hereby, and the actual proceeds realized by Declarant from such operation shall be less than the actual costs incurred by Declarant in connection with operating and maintaining any such Common Facility, Declarant shall be

entitled to be reimbursed from the Maintenance Fund for all costs actually incurred by Declarant in maintaining and operating such Common Facility in excess of the actual proceeds realized by Declarant from such operation, as such costs are incurred, to the extent that the balance of the Maintenance Fund from time to time existing exceeds the amount then designated by the Board of Trustees of the Association in good faith to be the minimum amount necessary to accomplish the maintenance functions of the Association, further, Declarant shall be entitled to be reimbursed from the Maintenance Fund for all ad valorem taxes and other assessments in the nature of property taxes fairly allocable to the Common Properties and Facilities and accrued Subsequent to the recordation hereof, and prior to the date on which title to such Common Properties and Facilities is conveyed to the Association by Declarant, which have been actually paid by Declarant.

Section 2. Covenant for Assessments. Notwithstanding anything to the contrary stated herein, the Declarant will be responsible for the maintenance of the Common Facility including roads (after completion by the Declarant) until any Lots have been sold. After one (1) Lot has been sold, a maintenance charge as hereinafter set out shall be assessed and paid by each Lot owner. Each and every Lot in the properties is hereby severally subjected to and impressed with a regular annual maintenance charge or assessment in the amount of Five Hundred (\$500.00) Dollars per annum per Lot (hereinafter sometimes referred to as the "full Maintenance charge") which shall run with the land, subject to increase and decrease and payable as provided below.

If applicable, all sub-dividable lots which have been specifically authorized as sub-dividable lots, which have been subdivided by the owner shall be subject to this Covenant for Assessment and remain subject to this covenant upon the following to occur: 1) the owner having made proper application for subdividing the property as contained in these Declarations of Covenants and Restrictions; AND 2) the divided lots being transferred to any subsequent owner.

Each Owner of a Lot, by his claim or assertion of ownership or by accepting a deed to any such Lot, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges and assessments against his Lot and/or assessed against him by virtue of his ownership, thereof, as the same shall become due and payable, without demand. The charges and assessments herein provided for shall be a charge and a continuing lien upon each Lot, together with all improvements thereon, as hereinafter more particularly stated. Each assessment, together with interest, costs, and reasonable attorney's fees, shall also be each owners personal obligation to pay such assessment accrued, but no Member shall be personally liable for the payment for any assessment made or becoming due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge or assessment by waiver of the use or enjoyment of the Common Properties or Facilities, or any part thereof, or by abandonment of his Lot or his interest therein.

Section 3. Rules for Adjustments to Annual Maintenance Charge. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Trustees to be the day of commencement. The first annual assessment shall be made for the balance of the calendar year in which it is made and shall be payable on the day fixed for commencement, or in equal monthly installments over the balance of the year, at the election of the Association. The assessments for each calendar year after the first year shall be due and payable to the Association in advance on January 1st each year, or in twelve (12) equal monthly installments over such year, at the election of the Association, Provided, however, that, upon the purchase of his Lot (as evidenced by the date of his term Contract of Sale or Deed, or his occupancy, whichever is earlier), each Member shall be obligated to pay to the Association a pro-rata part of the applicable percentage (as determined pursuant to the terms hereof) of the regular annual maintenance charge assessed on such Lot, which shall bear the same ratio to the applicable percentage of the full annual maintenance charge as the number of full calendar months remaining in the year of purchase to twelve (12), and which shall be payable in full upon such purchase or in equal, monthly installments over the balance of the year of purchase, as the

Association may elect.

The Board of Trustees of the Association may decrease or increase the amount of the regular annual maintenance charge or assessment provided for herein at any time and from time to time by the adoption of a resolution for such purpose, but no resolution increasing the annual maintenance charge assessment shall become effective prior to the expiration of ninety (90) days from date of its adoption, and the Owner of each Lot shall, within thirty (30) days from such effective date, pay to the Association the proportionate part of such increase for the balance of the year in which such resolution is adopted; provided, however, that no resolution of the Board of Trustees which fixes the amount of the regular annual maintenance charge or assessment in excess of Five Hundred (\$500.00) Dollars per year, or in excess of the annual maintenance charge or assessment last ratified by the Members of the Association in accordance with the provisions of this paragraph, whichever is greater, shall become effective unless and until such resolution is ratified either (i) by the written assent of the Members of the Association who in the aggregate then own at least seventy-five (75%) percent of the Lots in the Subdivision if no meeting of the membership is held for ratification, or (ii) by the assent of fifty-one percent (51%) of the votes of the Members of the Association who are present and voting in person or by proxy at a special meeting of the membership of the Association called for this purpose and at which a quorum is present. The written assent or the vote of the Members must be given prior to the effective date of the resolution of the Board of Trustees. No increase in the annual maintenance charge or assessment shall take effect retroactively.

If any resolution of the Board of Trustees which requires ratification by the assent of the Members of the Association as above provided shall fail to receive such assent, then the amount of the regular annual maintenance charge or assessment last in effect shall continue in effect until duly changed in accordance with the above provisions. The Board of Trustees may decrease the amount of the annual maintenance charge or assessment without ratification by or assent of the Members of the Association.

Section 4. Duties of the Board of Trustees. The board of Trustees of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Owner for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an Officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 5. Liens to Secure Assessments. The regular annual maintenance charges or assessments, as hereinabove provided for, shall constitute and be secured by a separate and valid and subsisting lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements thereon, for the benefit of the Association and all Members. Subject to the conditions that the Association be made a party to any Court proceedings to enforce any lien hereinafter deemed to be superior, the lien hereby created shall be subordinate and inferior to

(a) All liens for taxes or special assessments levied by the City, County, and State governments, or any political subdivision or special district thereof, and

(b) All liens: securing amounts due or to become due under any term Contract of Sale dated, or any mortgage, vendor's lien, or deed of trust filed of record, prior to the date payment of any such charges or assessment become due and payable, and

(c) All liens, including, but not limited to, vendor's liens, deeds of trust, and other security instruments which secure any loan made by any lender to an Owner for any part of the purchase price of any Lot when the same is purchased from a builder or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any Lot to be utilized for residential purposes.

Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust, or other security instrument, or through Court proceedings in which the Association has been made a

party, shall cut off and extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosures shall free any Lot from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure, be extinguished by any foreclosure.

Section 6. Effect of Non-Payment of Assessment. If any annual charge or assessment if not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at the highest interest rate allowed under the laws of the State of Tennessee, and, if placed in the hands of an attorney for collection or if suit is brought thereon or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than ten (10%) percent of the amount owing, as attorney's fees. The Association, as a common expense of all Members, may institute and maintain an action at law or in equity against any defaulting Member to enforce collection and/or for foreclosure of the liens against his Lot. All such actions may be instituted and brought in the name of the Association and may be maintained and prosecuted by the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

Section 7. Collection and Enforcement. Each Member, by his assertion of title or claim of ownership or by his acceptance of a deed to a Lot, whether or not it shall be so recited in such deed, shall, be conclusively deemed to have expressly vested in the Association, and in its officers and agents, the right, power and authority to take all action which the Association shall deem proper for the collection of assessments and/or to the enforcement and foreclosure of the liens securing the same.

ARTICLE VII

Architectural Control

Section 1. General. In order to preserve the natural setting and beauty of the Properties, to establish and preserve a harmonious and aesthetically pleasing design for the Properties, and to protect and promote the value of the Properties, the Lots, the Residential Units and the Common Area and all improvements, structures, landscaping and items located thereon, all Lots, Residential Units and all improvements, structures, landscaping and items located thereon shall be subject to the restrictions set forth in this Article VII. Every grantee of an interest in the Properties, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article VII.

Section 2. Architectural Review Committee. No construction, improvements, landscaping, buildings, structures or development of any kind whatsoever, shall be commenced, carried out on, constructed, altered, added to or maintained upon any portion of the Properties, including Lots, unless

- (i) Approved in writing by the Architectural Review Committee;
- (ii) Developed, constructed or altered by Declarant or;
- (iii) Developed, constructed or altered by the Association in respect to the Common Area or;
- (iv) If a Modifications Committee is established pursuant to the terms hereof, approved by the Architectural Review Committee after recommendation from the Modifications Committee. Approval of the Architectural Review Committee shall be subject to such regulations, architectural standards and application procedures as may be promulgated by the Architectural Review Committee and as set forth herein. The Architectural Review Committee may charge a reasonable fee as determined by the Architectural Review Committee, from time to time, to cover the administrative expense of its review and comment, such fee to be payable to the Architectural Review Committee. The Architectural Review Committee may require placement of a bond by an applicant to assure compliance with this Declaration and to cover any expenses of damages caused by construction or improvement activities required to be approved by it.

(a) During the Development Period, the Declarant, in its sole discretion, shall appoint the members of the Architectural Review Committee. For such time, the Architectural Review Committee shall consist of at least three (3) and no more than five (5) members, none of whom shall be required to be residents of the Community or own property at the Community and all of whom shall serve at the pleasure of the Declarant. The Architectural Review Committee shall act on behalf of the Declarant and the Association until such time as the Declarant no longer has the right to annex property to the Community pursuant to Article II hereof or the Declarant no longer owns any Lot upon which no Residential Unit has been constructed, whichever is later, unless sooner waived in writing by the Declarant. From and after the later of these events, the Architectural Review Committee shall be appointed by the Board and function in the same manner as committees of the Association under the authority of the Board.

(b) Following the Development Period, the Board of Trustees shall appoint members of the Architectural Review Committee and the Architectural Review Committee members shall be required to be Owners or their spouses. Members of the Architectural Review Committee appointed by the Board shall serve at the pleasure of the Board. During the time that the Architectural Review Committee members are appointed by the Board, the Architectural Review Committee shall be comprised of not less than three (3) nor more than five (5) members.

(c) The Architectural Review Committee shall elect a chairperson and the chairperson or in his absence, the vice-chairperson, shall be the presiding officer at its meetings. The Architectural Review Committee shall meet as often as they so determine and shall be required to meet upon call of the chairperson, and all meetings shall be held at such places as may be designated by the chairperson. A majority of the Architectural Review Committee members serving shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person at a meeting of the Architectural Review Committee shall constitute the action of the Architectural Review Committee on any matter before it. The Architectural Review Committee may, from its members, appoint one (1) such member to execute approval of plans as might be proposed by an applicant. The Architectural Review Committee shall not be required to maintain minutes of its meetings and the members of the Architectural Review Committee may evidence any approval of the Architectural Review Committee, or the designate appointed by such members, certifying to the approval of such plans by entry of an approval on the face thereof. Approvals of the Architectural Review Committee may occur at meetings thereof or based upon communications by and between the members thereof, without call of a meeting, but with polling of each member thereof by the chairperson or his or her designate.

(d) The Architectural Review Committee is authorized to retain services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Architectural Review Committee in performing its functions set forth herein and all such expenses shall be at the expense of the Association.

(e) Any member of the Architectural Review Committee appointed by the Declarant may be removed with or without cause by the Declarant at any time by written notice to such appointee, and a successor or successors appointment to fill such vacancy. Any member of the Architectural Review Committee appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee and its successor or successors appointed to fill such vacancies shall serve at the pleasure of the Board.

(f) The Architectural Review Committee is hereby authorized to promulgate from time to time written architectural standards, regulations, policies, procedures and guidelines (hereinafter referred to as the "Construction Requirements") governing the construction, location, landscaping, material and design of improvements, structures, the contents of submission of plans and specifications, and other information

as may be required in order to evidence compliance with and obtain approval pursuant to this Article VII. The Architectural Review Committee shall make its standards, regulations, policies, procedures and guidelines available to Owners, Builder/Owners, and developers who seek to engage in development or improvement of construction upon all or any portion of the Properties and shall conduct its operations in accordance therewith. Decisions of the Architectural Review Committee shall take into account and be founded upon the nature, kind, shape, color, size, material and location of any construction, improvements, buildings, structures or development and the quality of workmanship planned, the design and harmony of external design and relation to surrounding structures, topography and elevation of such construction, improvements, buildings, structures and development and the Community Wide Standards. The Construction Requirements shall be binding upon and enforceable against all Owners. The provisions hereof shall not be applicable to any of the Additional Property; provided such shall be applicable to those portions of the Additional Property annexed to this Declaration. From and after the time that the Board appoints the members of the Architectural Review Committee, any Construction Requirements proposed by the Architectural Review Committee and any approvals or denials by the Architectural Review Committee shall first be approved by the Board becoming effective.

Section 3. Submissions to Architectural Review Committee.

(a) No construction, improvements, buildings, structures or development of any kind whatsoever, shall be commenced, carried out on, constructed, altered, added to or maintained on any Lot or Residential Unit, other than as developed, constructed or altered by Declarant unless and until three (3) copies of the plans and specifications and related data shall have been submitted to and approved in writing by the Architectural Review Committee or if a Modifications Committee is established pursuant to the terms hereof, approved by the Architectural Review Committee after recommendation from the Modifications Committee.

(b) For purposes of this Article VII and specifically Section 3(a), above, "construction, improvements, buildings, structures or development" shall include by way of example and not limitation the construction, installation or alteration of Residential Units, sidewalks, driveways, parking areas, mailboxes, basketball goals, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, play equipment, awnings, walls, steps, stoops, yard equipment, fences, exterior lights, garages, landscaping, hardscaping, lawns, guests or servants quarters, or other outbuildings. Plans, specifications and related data as submitted for any such construction, improvements, buildings, structures or development requested for approval shall show the nature, color, type, shape, height, materials and location of the same. One (1) copy of such plans, specifications and related data so submitted shall be retained in the records of the Architectural Review Committee and the other copy shall be returned to the Owner marked "approved by the Architectural Review Committee," or "approved as noted by the Architectural Review Committee," or "disapproved by the Architectural Review Committee." Until the Board appoints the members of the Architectural Review Committee, the Architectural Review Committee shall have the sole discretion to determine whether the plans and specification submitted for approval are acceptable to the Architectural Review Committee in connection with the approval rights. Any disapproval by the Architectural Review Committee may be based upon any ground whatsoever so long as such disapproval is consistent with the objectives and purposes of this Declaration, including, but not limited to, purely aesthetic considerations, provided that such disapproval is not arbitrary or capricious.

(c) Any and all plans submitted for the construction of a Residential Unit on a Lot, shall depict thereon the proposed Residential Unit in such detail as requested by the Architectural Review Committee, including all driveways, parking areas, mailboxes, basketball goals, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses or equipment, walls or fences, awnings, steps, stoops, yard equipment, lighting, garages, out buildings, landscaping, hardscaping, lawns, guest or servants quarters and such other structures, out buildings and items as determined by the Architectural Review

Committee or as contemplated by the applicant to be a part of the improvement of the Lot. Any and all requests for alterations or additions to a Lot or Residential Unit, including alterations or additions to existing structures or improvements or the addition of additional structures, items or improvements shall depict thereon the proposed addition or alteration in its proposed location with all height, material, location and other specifics as may be requested by the Architectural Review Committee.

(d) Clearing for home sites, driveways, and views is permitted provided no more than 20% is cleared. No clear cutting or timbering permitted. The Architectural Review Committee shall have the right to establish a maximum percentage of a Lot which may be covered by Residential Units, buildings, structures or other improvements, which standard shall be promulgated on the basis of topography, percolation data, soil types and conditions, vegetation cover and other environmental factors taken into account by the Architectural Review Committee. Following approval of any plans and specifications by the Architectural Review Committee, representatives of the Architectural Review Committee shall have the right, without notice, during reasonable hours to enter upon and inspect any Lot, Residential Unit or other improvements or structures with respect to which construction is underway to determine whether or not the plans and specifications thereof have been approved and are complied with. In the event that Architectural Review Committee shall determine that such plans and specifications have not been approved or are not being complied with, the Architectural Review Committee, acting in the name and at the expense of the Association, shall be entitled to enjoin further construction and to require the removal or correction of any work, improvement or structure in place which does not comply with the approved plans and specifications.

(e) In the event that the Architectural Review Committee fails to approve or disapprove any proposed plans and specifications within thirty (30) days after such plans and specifications have been submitted, such plans and specifications will be deemed to have been expressly approved, provided the proposed improvements are generally in harmony with the Community Wide Standard. Upon the approval of plans and specifications by the Architectural Review Committee, no further approval under this Article VII shall be required with respect thereto, unless construction has not substantially commenced within sixty (60) days of approval of such plans and specifications or unless such plans and specifications are materially altered or changed. For purposes of this section, "substantially commenced" shall mean any clearing, grading, pouring of footing or any other type of affirmative action to commence with the construction of a Residential Unit.

(f) No landscaping, grading, excavation or filling of any nature whatsoever shall be implemented and installed on a Lot, other than by Declarant, unless and until the plans therefore have been submitted to and approved in writing by the Architectural Review Committee. The provisions of this Article VII regarding the time for approval of plans, the right to inspect, the right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, grading, Excavation or filling. The Architectural Review Committee shall be permitted to promulgate Construction Requirements with regard to any such landscaping, grading, excavation or filling.

(g) Before construction of any Residential Unit on any Lot begins and is part of the approved plan regarding such Residential Unit as submitted to the Architectural Review Committee, the Architectural Review Committee shall be provided a general landscape design, which shall be reviewed and approved by it before commencement of the installation of landscape in respect to such Residential Unit. The landscaping as shown on such landscape design plan shall be installed and in place as part of the construction of the Residential Unit.

Section 4. Commencement of Construction and Occupancy of Residential Units. Residential Units may not be temporarily or permanently occupied until the exteriors thereof and the landscaping of the Lot on which the Residential Unit is located have been completed and a certificate of occupancy for such

Residential Unit, if issued by the local jurisdiction, has been issued. Once commenced, the construction of a Residential Unit and original improvements contemplated therewith on a Lot shall diligently be continued and shall be completed within twelve (12) months from the date of commencement. For the purposes of this Section, commencement of construction shall mean that (a) all plans for such construction have been approved by the Architectural Review Committee; (b) a building permit has been issued for the Lot by the appropriate jurisdiction; and;

(c) Construction of a structure has physically commenced beyond site preparation. Completion of a structure shall mean that a certificate of occupancy has been issued by the appropriate jurisdiction for the Lot. During the continuation of construction of any Residential Unit, structure or improvements respecting a Lot or any modifications, additions or alterations thereto, any and all contractors in respect to the construction thereof shall maintain the Lot, the Residential Unit, and the surrounding Common Area in a reasonably clean and uncluttered condition and, to the extent possible, all construction trash and debris shall be kept within refuse containers. Upon completion of construction, the Owner of the Lot shall cause such contractors to immediately remove all equipment, tools and construction material and debris from the Lot and Residential Unit on which such construction has been completed.

Section 5. Approval of Plans. No approval of plans and specifications and no publication of Construction Requirements pursuant to the terms of this Declaration by the Architectural Review Committee shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Residential Unit or other improvement built in accordance therewith will be built in a good workmanlike manner. The Declarant, the Association, the Architectural Review Committee and the Modifications Committee, if acting, shall not be responsible or liable for (i) any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Declaration, (ii) any loss or damages to any person rising out of the approval or disapproval of any plans or specifications, (iii) any loss or damage arising from the non-compliance of such plans and specifications as with any governmental ordinances and regulations, nor (iv) any defects in construction undertaken pursuant to such plans and specifications.

Section 6. Construction Criteria and Requirement of Compliance with Law. All Residential Units and other structures and improvements shall be constructed, modified, altered or added to in compliance with any and all applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions as might apply to the real estate. All grading, clearing, construction of impervious surfaces, building and other construction activity performed on Lots or Residential Units that are subject to the rules, regulations, guidelines and restrictions of any regulatory authority shall be performed in accordance with such rules, regulations, guidelines and restrictions.

Section 7. Contractor Responsibilities.

- (a) Contractor must have proof of insurance; to include but not limited to transportation, workman's compensation, errors and omissions and liability insurance of no less than one million dollars.
- (b) Contractor may be required to provide references to the P.O.A. prior to plan approval.
- (c) Building materials cannot be placed within road rights of way or utility easements.
- (d) Contractor must assume liability for all construction vehicles that enter property in route to their job site, specifically overweight vehicles that damage road surface and negligence of operators. Concrete truck weight limit is 5 yards per truck.
- (e) Contractor is responsible for actions of any/all subcontractors.
- (f) Contractors/subcontractors are responsible for any cut, break, or damage to underground utility caused by their negligence.

Section 8. Land Use and Building Type. Unless otherwise set forth by Declarant in a Supplemental Declaration applicable to a Phase, the following shall be applicable to all Lots:

(a) Structures and Improvements. For purposes of lending assistance to define structures and improvements as required to be approved by the Architectural Review Committee, such structures and improvements shall include, but shall not be limited to, staking, clearing, excavation, grading and other site work; initial construction of any Residential Unit or accessory building; exterior alteration of existing improvements; installation or replacement of mailboxes; basketball hoops; swing sets and similar sports and play equipment, clotheslines, garbage cans, wood piles; swimming pools; gazebos or playhouses; window air-conditioning or fans; hot tubs; wells; solar panels; antennas; satellite dishes (which may not be over 18" in diameter) or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind; hedges, walls, dog runs, animal pens, or fences of any kind, including invisible fences; docks (as permitted by regulatory authorities, including the Army Corps of Engineers, if applicable); artificial vegetation or sculpture; and planting or removal of landscaping materials. Notwithstanding the foregoing, the Declarant and the Association shall regulate antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite or other signals of any kind only in strict compliance with all federal laws and regulations. In addition to the foregoing activities requiring prior approval, the following items are strictly regulated, and the Architectural Review Committee shall have the right, in its sole discretion, to prohibit or restrict these items within the Properties. Each owner must strictly comply with the terms of this Section unless approval or waiver in writing is obtained from the Architectural Review Committee. The Architectural Review Committee may, but is not required to, adopt specific guidelines as part of the Design Guidelines or rules and regulations, which address the following items:

(b) Tree Removal. No trees that are more than six (6) inches in diameter at a point two (2) feet above the ground shall be removed without the prior written consent of the Architectural Review Committee, *provided, however*, any trees, regardless of their diameter, that are located within ten (10) feet of a drainage area, a sidewalk, a residence, or a driveway, or any diseased or dead trees needing to be removed to promote the growth of other trees or for safety reasons may be removed without the written consent of the Architectural Review Committee. The Architectural Review Committee may adopt or impose requirements for, or conditional approval of, tree removal upon the replacement of any tree removed.

(c) Lighting. Exterior lighting visible from the street shall not be permitted except for: (i) approved lighting as originally installed on a Lot; (ii) one (1) approved decorative post light; (iii) pathway lighting; (iv) street lights in conformity with an established street lighting program for the Properties; (v) seasonal decorative lights during the usual and common season; or (vi) front house illumination of model homes.

(d) Accessory Structures. With the approval of the Architectural Review Committee, detached accessory structures may be placed on a Lot to be used for a playhouse, swimming pool, tennis court, tool shed, doghouse, garage or other approved use. A garage may also be an attached accessory structure. Such accessory structures shall conform in exterior design and quality to the dwelling on the Lot. With the exception of a garage that is attached to a dwelling and except as may be provided otherwise by the Architectural Review Committee, an accessory structure placed on a Lot shall be located only behind the dwelling as such dwelling fronts on the street abutting such Lot or in a location approved by the Architectural Review Committee. All accessory structures shall be located within side and rear setback lines as may be required by the Architectural Review Committee or by applicable zoning law.

(e) Garages. All garages must have doors and each garage door must be coordinated in design and color with the Residential Unit to which it is appurtenant. Each Owner shall provide in respect to each of such Owner's Residential Units parking for at least two (2) automobiles within garages. The garage shall be constructed at the same time as the Residential Unit. Detached garages can be approved after being submitted to the Architectural Review Committee.

(f) Utility Lines. Overhead utility lines, including lines for cable television, are not permitted except for temporary lines as required during construction and lines installed by or at the request of Declarant.

(g) Minimum Dwelling Size. Each Residential Unit located on any Lot shall have established in the Design Guidelines a minimum square footage of enclosed, heated and cooled living space. Upon written request of an Owner, the Architectural Review Committee may waive the square footage requirement if, in the Architectural Review Committee's sole discretion, the resulting appearance of such Residential

Unit will preserve and conform to the overall appearance, scheme, design, value and quality within the Properties.

(h) Sight Distance at Intersections. All property located at street intersections or driveways shall be landscaped and improved so as to permit safe sight across such areas. No fence, wall, hedge or shrub shall be placed or permitted to remain where it would cause a traffic or sight problem. The Design Guidelines may include additional sight line limitations.

(i) Air Conditioning Facilities. No window or wall type air conditioners shall be permitted to be used, erected, placed, or maintained on or in any Residential Unit, building, improvement or structure within the Properties.

(j) Utility Location. The Owners shall ascertain the location of utility service lines and keep the area over the route, if underground, of said service drops free of excavations and clear of structures, trees and other obstructions; it being understood that the lighting and power company may install, maintain, repair, replace and remove said underground service drops, if any, and open the ground for any such purpose or purposes; and no payment will be due or made by any utility for such use or activity.

(k) Walls, Fences, and Hedges. No walls or fences shall be erected or maintained on any Lot nearer to the street front than the front building line as set forth and as may be shown on the Subdivision Plat unless approved, in writing, by the Architectural Review Committee. The Architectural Review Committee pursuant to standards adopted by it prior to installation shall approve all fences and walls. All walls and fences on any Lot must be no higher than as might be approved and must be of a material the same as the house (i.e. brick, stone or stucco) or as otherwise approved by the Architectural Review Committee. No fence may be installed which will impede the natural flow of water across the Lot. All fences must meet with the approval of the Architectural Review Committee. Ownership of any wall, fence, or hedge erected as a protective screening on a Lot shall pass with title to the Lot. Each Owner shall be responsible for maintaining any wall, fence or hedge as may exist on his or her Lot.

(l) Parking. Each Lot shall have provided thereon adequate off street parking as determined by the Architectural Review Committee.

(m) Mailboxes. Only one (1) mailbox may be located on each Lot, said mailbox shall be consistent with the Construction Requirements. Each mailbox shall be located and thereafter maintained in a location approved by the Architectural Review Committee consistent with the requirements, if any, of the United States Postal Service, its successors and assigns.

(n) Driveway Construction. No driveway shall be placed on any Lot nor be connected to any street or road within the Properties until the location and the Architectural Review Committee approves materials on the Lot and street access of such driveway. In the event there are any concrete curbs in the Properties and such curbs are chipped, cracked and/or broken on the street front side as a result of driveway installation or otherwise such shall be repaired or replaced at the expense of the Owner of the Residential Unit prior to occupancy of the Residential Unit on said Lot.

(o) Waterfront Lots. Prior to construction upon any waterfront Lots, the owner thereof shall obtain all required permits from the TVA and any other required governmental authority. All docks must meet the approval of the Architectural Review Committee.

Dockable Lakefront Lots include: Lots 1 thru 11 and Lots 18 thru 22.

Non-dockable lakefront lots include: Lot 17; Lots 42 thru 47 and Lots 50 thru 54

Section 9. No Waiver of Future Approvals. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval.

Section 10. Variance. The Architectural Review Committee may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate

and no variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) prevent the Architectural Review Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance. Any lot owner may request a variance by the Board. The request shall be in writing and submitted to the board by mail. The charge for a hearing will be the sum of \$100.00 and must be included with the request for a hearing. Multiple requests may be made per single fee.

Section 11. Limitation of Liability. The standards and procedures established pursuant to this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of the Properties only, and shall not create any duty on the part of the Declarant, the Association, the Board or the Architectural Review Committee to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the Declarant, the Association, nor the Architectural Review Committee shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, the adequacy of soils or drainage, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board, the Architectural Review Committee nor any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction or modifications to any Lot. In all matters, the committees and their members shall be defended and indemnified by the Association as provided herein.

Section 12. Enforcement. (a) The Declarant, any member of the Architectural Review Committee or the Board, or the representatives of each shall have the right, during reasonable hours and after reasonable notice, to enter upon any Lot to inspect for the purpose of ascertaining whether any structure or improvement is in violation of this Article. Any structure, improvement or landscaping placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from the Architectural Review Committee, Owners shall, at their own cost and expense, remove such structure or improvement and restore the property to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore the property as required, any authorized agent of Declarant, the Architectural Review Committee or the Board shall have the right to enter the property pursuant to this Declaration, remove the violation, and restore the property to substantially the same condition as previously existed. Entry for such purposes and in compliance with this Section shall not constitute a trespass. In addition, the board may enforce the decisions of the Declarant, and the Architectural Review Committee by any means of enforcement described herein. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Lot and collected as a Specific Assessment.

(b) Unless otherwise specified in writing by the Architectural Review Committee, all approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Lot, unless approval to modify any application has been obtained. If, after commencement, any Person fails to diligently pursue to completion all approved work, the Association shall be authorized, after notice to the Owner of the Lot and an opportunity to be heard in accordance with the By-Laws, to enter upon the Lot and remove or complete any incomplete work and to assess all costs incurred against the Lot and the Owner thereof as a Specific Assessment.

(c) Neither the Architectural Review Committee nor the Association, nor the Declarant, nor their members, officers or directors shall be held liable to any Person for exercising the rights granted by this Article. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article or the Design Guidelines may be excluded by the Architectural Review Committee from the Properties, subject to the notice and hearing procedures contained in the By-Laws.

(d) In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the

Architectural Review Committee.

(e) The HOA does reserve the right to enforce a levy of \$100 a day for any building or structure not approved by the Architectural Review Committee in writing. The Architectural Review Committee can demand or require any structure not approved to be taken down at owners expense.

ARTICLE VIII

Construction Requirements

Section 1. Size of Residences. Unless otherwise included herein, no residential structure with heated floor space of less than the applicable minimum number of square feet set forth below, exclusive of the area of attached garages, porches, servant's quarters, or other appurtenances or appendages, shall be erected on any lot:

<u>Type of Structure</u>	<u>Minimum Heated Floor Space</u>
(a) One Story Residence	Minimum of 1600 square feet
(b) Full Two Story Residence	2000 square feet of heated floor space, with a minimum of 1,000 square feet on first floor

Section 2. Building Location. Unless otherwise provided herein, all buildings shall have at least a thirty-five (35) foot set back from the centerline of the road to be pre-approved by the Association. The set back from the side lot lines is twenty (20) foot.

Section 3. Construction Material. Unless otherwise included herein, all buildings will be constructed on site, no prefabricated buildings, and all construction shall be completed within twelve (12) months after construction begins. All outside walls shall be of brick, stone, wood, fiber cement siding (such as "Hardiplank") or log. No vinyl siding will be permitted without variance. There shall be no aluminum used for outside walls. Block, brick, rock, or stone foundations are permitted. Any exposed concrete or block must have approved exterior siding applied. Any new materials that are approved by the Tennessee Homebuilders Association may be considered. Windows and doors must be of sound quality, workmanship, and installed properly. No metal frames can be visible from road or ground. All detached garages and out buildings shall be of the same construction material that comprises fifty (50%) percent of the residence. There shall be no garages or outbuildings comprised of aluminum for the outside walls of said outbuildings and all outbuildings shall be pre-approved by the Association prior to placement or construction. All outside walls of garages and/or outbuildings shall be of the same or similar material as contained on the majority of the residence. Pier type foundations may be used for porches or decks. No open pier type foundations for a dwelling may be used, unless on a Lot where the slope of the Lot would require a support of nine (9) feet or more. Pier foundations of less than nine feet shall be constructed or finished in the same manner, as a basement would be constructed. Any and all deviations from the restrictions contained herein shall be subject to board approval. The Home Owners Association shall preapprove all building materials for outside walls.

Section 4. Fencing. No woven wire or barbed wire or electric fence shall be erected. All fencing must be made of wood, vinyl, metal or masonry construction. Chain link metal fences are prohibited. No fence may be erected without prior written approval of the Association.

Section 5. Mobile Homes and/or Modular Homes. All dwellings must be site built homes.

Mobile homes and modular homes are prohibited and not allowed. A variance can be applied for some modular homes, i.e. log cabins or modular homes with quality material, but the variance doesn't have to be given.

Section 6. Roofing Requirements: Roof-pitch must be a minimum of 6/12. Variance may be requested for overhangs, or porches. This also applies to detached garages.

ARTICLE IX

Building and Use Restrictions

Section 1. Single Family Residential Use. Each Lot unless otherwise specified herein or in the recorded plat as designated herein as common properties (including land and improvements) shall be used and occupied for single-family residential purposes only. No Owner or other occupant shall use or occupy his Lot, or permit the same or any part thereof to be used or occupied, for any purpose other than as a private single family residence for the Owner or his tenant and their families. As used herein the term "single family residential purposes" shall be deemed to prohibit specifically, but without limitation, the use of Lots for duplex apartments, garage apartments or other apartment use. No Lot shall be used or occupied for any business, commercial, trade, or professional purpose either apart from or in connection with the use thereof as a private residence, whether for profit or not (this provision shall not restrict the operation of a privately owned Bed and Breakfast or individual homes in rental programs as long as the same has been previously authorized and approved by the Association or Declarant). This restriction shall not limit the provisions as contained in Article III; section 3, regarding expansions, mergers or additions of Lake Norris Landing subdivision for use of access roads to adjoining properties.

Section 2. Temporary and Other Structures. Unless otherwise indicated herein, no structure of a temporary character, trailer, mobile, modular or prefabricated home, tent (However, tents for camping purposes only shall be allowed for a period not to exceed four (4) days per month), shack, barn or any other structure or building or any RV pad or similar structure or construction, other than the residence to be built thereon, shall be placed on any Lot, either temporarily or permanently and no residence, house, garage or other structure appurtenant thereto, shall be moved upon any Lot from another location; except, however, that Declarant reserves the exclusive right to erect, place and maintain, such facilities in and upon the Properties as in its sole discretion may be necessary or convenient during the period of and in connection with the sale of Lots, construction and selling of residences and constructing other improvements in the Properties. Such facilities may include, but not necessarily be limited to, a temporary office building, storage area, signs, portable toilet facilities and sales office. Declarant and builders shall also have the temporary right to use a residence situated on a lot as a temporary office or model home during the period of and in connection with construction and sales operations in the Properties, but in no event, shall a builder or any owner have such right for a period in excess of one (1) year from the date of substantial completion of his last residence in the Properties.

Section 3. Nuisance. No noxious or offensive trade or activity shall be carried on or permitted upon any Lot or upon the Common Properties nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood or to other Owners. The Board of Trustees of the Association shall have the sole and exclusive discretion to determine what constitutes a nuisance or annoyance. No trucks larger than three-quarters of a ton, motor vehicles not currently licensed, boats or trailers (excluding RV's) shall be permitted to be stored on any Lot, except in a closed garage or unless otherwise specified herein. Any boats stored on any lot shall be stored on a driveway adjacent to the residence, but not to exceed the front of the home and shall be kept in a sightly manner so long as said storage does not become an annoyance or nuisance as determined by the Association. No vehicles shall be parked on any street. No repair work, dismantling, or assembling of motor vehicles or other machinery

or equipment shall be done or permitted on any street driveway or other portion of the Common Properties. Any storage of any type of RV shall be allowed, however, the RV shall not be used for living purposes while on the property. No junk cars may be stored on any lot.

Section 4. Signs. Except for signs, billboards or other advertising displayed by Declarant for so long as Declarant or any successors or assigns of Declarant to whom the rights of Declarant under these covenants and restrictions are expressly transferred and all exceptions herein are satisfied, shall own any portion of the Properties, no sign of any kind shall be displayed to the public view on any Lot or the Common Properties until the earlier of the following occurs: (1) ninety-five (95%) percent of the lots are sold or (2) the Association has been formed with the five (5) member Board of Trustees pursuant to Article IV, section 3 above, and at that time any signs shall be subject to the following:

(a) Subject to approval as specified in subsection (c) below, builders may display one (1) sign of not more than five (5) square feet on a Lot to advertise the Lot and any residential structure situated thereon for sale during the sales and/or construction period; and

(b) Subject to approval as specified in subsection (c) below, any Owner may display one (1) sign of not more than five (5) square feet on a Lot improved with a residential structure to advertise the Lot and residence for sale or rent.

(c) All signs shall be submitted and pre-approved by the Board of Trustees prior to placing or erecting signs on any lot.

Declarant or its agent shall have the right to remove any sign not complying with the provisions of this Section, and in so doing, shall not be liable and are expressly relieved of any liability for trespass or other tort in connection therewith, or arising from such removal.

Section 5. Animals and Agricultural Usage. Unless otherwise authorized herein, no animals, livestock, or poultry of any kind shall be raised bred, maintained or kept on any Lot or on any portion of the Common Properties, except the following may be allowed with each dwelling residence: (1) each family residing in a home on a lot shall be allowed household pets. All animals allowed under this provision shall be kept in an enclosure or under control at all times, but they shall not be bred or kept for commercial purposes; and (2) each lot shall be allowed one (1) horse per two (2) acres where one (1) acre of pastureland is available. A maximum of two (2) horses allowed total. All pets and horses (if applicable) shall be maintained in such a way that they shall not become offensively odorous or noisy to any owner of the Property. Under no circumstances shall any swine, goats, chickens or sheep be permitted to be kept or maintained on the Property. All household pets shall be kept in an enclosure or on a leash, kennel or fenced area. All horses shall be kept in a fenced enclosure and under control. Under no circumstances shall any animals be bred and/or maintained on the Property for any commercial purpose. Under no circumstances shall any feed lot be operated or maintained on the Property. Dog or Pet Houses. Dog or pet houses are allowed provided that both the dog or pet house and its surroundings are kept in a neat and orderly fashion. Dog runs, pens and kennels are not permitted, unless approved by the Association and/or Board.

Section 6. Garbage and Refuse Storage and Disposal. All Lots and the Common Properties shall be kept at all times in a healthful, sanitary and attractive condition. No Lot or any part of the Common Properties shall be used or maintained as a dumping ground for garbage trash, junk or other waste matter. All trash, garbage, or waste matter shall be kept in adequate containers constructed of metal, plastic, or masonry materials, with tightly fitting lids, which shall be maintained in a clean and sanitary condition and screened from public view. No Lot shall be used for open storage of any materials whatsoever, which storage is visible from the street, except that new building materials used in the construction of improvements erected on any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without unreasonable delay, until completion of the improvements, after which these

materials shall either be removed from the Lot, or stored in a suitable enclosure on the Lot, There is hereby reserved in favor of the Association the determination of the method of garbage disposal, that is whether it shall be through public authority or through private garbage disposal service. No garbage, trash, debris, or other waste matter of any kind shall be burned on any Lot.

Section 7. Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot or other portion of the Properties unless the express written consent of the Association first shall have been obtained. This restriction shall not limit the provisions as contained in Article III, Section 3 regarding expansions, mergers or additions of Lake Norris Landing subdivision.

Section 8. Driveways and Culverts. Each Lot must be accessible to an adjoining Street by a driveway suitable for such purposes before the residential structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches). The specifications for and construction of all drain tiles or culverts in any drainage ditch, whether to be installed in connection with a driveway or otherwise, must be approved by the Association. All driveways shall be constructed of asphalt, concrete, brick or stone material and shall be completed within six (6) months after residence is either ready for occupancy or occupied.

Section 9. Minimum Lot Area. Any lot over 4 acres maybe subdivided one time creating no more than two lots where each lot is over 1 acre. All subdivided lots must become a part of and abide by the HOA and adhere to state and local zoning as well as being approved by Claiborne County Planning Commission.

Section 10. Lot Maintenance. All Lots containing grass areas shall be mowed at least three times yearly, first time between May 1 and June 15, the second time between June 16 and July 31 and the third time between August 1 and September 30. If the Lots are not mowed as provided above and the grass areas exceed at least 10 inches, the Association in its sole discretion will mow the Lots and the land Owners will be billed at the actual cost of mowing the lot plus an additional \$50. Failure of the landowner to pay the bill shall constitute a lien against the Property and the landowner will be subject to all of the stipulations and requirements as outlined in conjunction with the maintenance fee.

ARTICLE X

General Provisions

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for an initial term commencing on the effective date hereof and ending December 31, 2022. During such initial term the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the then Owners of seventy-five (75%) percent of the Lots in the properties as properly recorded in the Register of Deeds of Claiborne County, Tennessee. Upon the expiration of such initial term said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the then Owners of not less than fifty-one (51%) percent of all the Lots in the Properties as properly recorded in the Register of Deeds of Claiborne County, Tennessee.

Section 3. Amendment by Declarant. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical errors, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 4. Interpretation. If this Declaration or any word, cause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration shall govern.

Section 5. Omissions. If any punctuation, word, clause, sentence or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence or provision shall be supplied by inference.

Section 6. Notices. Any Notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 7. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to companies, corporations or individuals, males or females, shall in all cases be assumed as though in each case fully expressed.

Section 8. Severability. Invalidation of any one or more of the covenants, restrictions, conditions, or provisions contained in this Declaration, or any part thereof, shall in no manner affect any of the other covenants, restrictions, conditions, or provisions hereof, which shall remain in full force and effect.

ARTICLE XI

Ratification: Declarant and Current Land Owner

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, and the current Land Owner have executed this Declaration to be effective this the 03 day of November, 2010.

NLP ONE, LLC

 , DECLARANT

BY: Michael E. Cox

ITS: Chief Manager

BK/PG: 1322/595-618
10034793

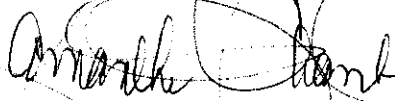
24 PGS: AL - RESTRICTIONS	
KIM BATCH: 32736	11/03/2010 - 02:00 PM
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	120.00
ARCHIVE FEE	0.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	122.00

STATE OF TENNESSEE, CLAIBORNE COUNTY
KIMBERLY H. REECE
REGISTER OF DEEDS

STATE OF TENNESSEE
COUNTY OF CLAIBORNE

Before me, on this day, personally appeared, Michael E. Cox, Chief Manager of NLP One LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge that he executed same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Limited Liability Company.

Given under my hand and seal of office, this the 3rd day of November, 2010.


NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

This Instrument Prepared By:

John D. Barry Tarrant, ESQ
Title Specialists, Inc.
8848 Cedar Springs Lane, Ste. 202
Knoxville, Tennessee 37923

