

This instrument prepared by:
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BK 2093 PG 541

**AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR ROSEMONT**

THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR ROSEMONT (the "Declaration") is executed and effective this 15th day of November, 2000, by Rosemont, a Tennessee general partnership, successor by merger to Rosemont, L.L.C. (the "Developer");

WITNESSETH:

WHEREAS, Developer is the owner of certain real estate in Williamson County, Tennessee as more particularly described on Exhibit A attached hereto and as shown on the final Plat for Rosemont, of record in Plat Book 29, page 31, Register's Office for Williamson County, Tennessee (said real estate being referred to herein as the "Development");

WHEREAS, Developer recorded a Declaration of Protective Covenants, Conditions and Restrictions, of record in Book 1921, page 516, Register's office for Williamson County; and

WHEREAS, Developer desires to amend and restate the Declaration as provided herein;
and

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

WHEREAS, Developer desires to provide a system of administration, operation and maintenance of the common areas of the Development;

WHEREAS, Developer further desires to establish for the mutual benefit, interest and advantage of Developer and each and every person or other entity hereafter acquiring title to any portion of the Development, certain rights, easements, privileges, obligations, restrictions, covenants, liens, assessments and regulations governing the use and occupancy of the Development and the maintenance, protection and administration of the common use facilities thereof, all of which are declared to be in furtherance of a plan to promote and protect the operative aspects of residency or occupancy in the Development and on all portions thereof, and

are intended to be covenants running with the land which shall be binding on all parties having or acquiring in the future any right, title or interest in and to all or any portion of the Development, and which shall inure to the benefit of each present and future owner thereof;

NOW, THEREFORE, Developer, as legal title holder of the Development and for the purposes set forth above, declares as follows:

ARTICLE I.

DEFINITIONS

The following words when used in this Declaration or any supplemental declaration hereto shall have the following meanings:

1. "Additional Properties" shall mean and refer to any property contiguous to the property described on Exhibit A that may be brought within the Development by an amendment to this Declaration.

2. "Annual Assessments" shall mean and refer to the assessments described in Article IV, Section 1.

3. "Association" shall mean and refer to Rosemont Homeowners' Association, Inc., a not-for-profit corporation to be organized and existing under the laws of the State of Tennessee, its successors and assigns.

4. "Board" shall mean and refer to the Board of Directors of the Association.

5. "By-Laws" shall mean and refer to the By-Laws of the Association, the form of which is attached as Exhibit D hereto.

6. "Common Areas" shall mean and refer to all facilities within the Development used in common by the Owners, including without limitation, all roads, footpaths, horse trails, bicycle or foot paths, jogging trails, recreational facilities, landscape easements, waterways, gates, boundary walls and fences, median areas, and any areas lying or adjacent to the roads that are designated on the Plat to be maintained and landscaped by the Association. The Common Areas shall be owned by the Association in fee and shall be reserved for the non-exclusive use, benefit and enjoyment of the Owners subject to the provisions of this Declaration and will be shown as Common Areas on the plats of the Development placed of record now or in the future.

7. "Declaration" shall mean and refer to this Declaration of Protective Covenants, Conditions and Restrictions applicable to the Development and recorded in the Register's Office for Williamson County, Tennessee.

8. "Developer" shall mean and refer to Rosemont, a Tennessee limited liability company, having its principal place of business in Nashville, Tennessee, its successors and assigns.

9. "Development" shall mean and refer to the property described on Exhibit A attached hereto and made a part hereof together with any Additional Properties that may be made a part thereof.

10. "Engineer" shall mean the architect or engineer engaged by the Committee to review Plans pursuant to Article V hereof.

11. "Impositions" shall mean and refer to any Annual Assessments, Landscape Assessments, and Special Assessments, or any other charges by the Association against one or more Lots owned by an Owner together with reasonable attorneys' fees and costs incurred in the enforcement thereof, and shall additionally include, to the extent authorized by the provisions hereof, interest thereon.

12. "Improvement" shall mean any building, building addition, outbuilding, garage, barn, running shed, detached structure, landscaping, swimming pool, recreational facility, driveway, parking area, walkway, wall, fence, or utility service, or such other improvement or structure constructed or located upon all or any portion of the Development. It is intended that this definition of "Improvement" be broad in scope and is intended to encompass any man-made alteration of the condition of the Lot or Common Areas from and after the date of this Declaration.

13. "Landscape Assessments" shall mean assessments for lawn care service provided to Lots as described in Article IV, Section 2.

14. "Lot" shall mean and refer to any plot of land within the Development to be used for single-family residential purposes and so designated on the Plat.

15. "Majority of Owners" shall mean and refer to the holders of more than fifty percent (50%) of the total Votes of the Members.

16. "Member" shall mean and refer to any person or persons who shall be an Owner, and as such, shall be a Member of the Association. "Class A Members" shall mean and refer to any Owners other than the Developer, and the "Class B Member" shall be the Developer.

17. "Mortgagee" shall mean and refer to any holder of a first priority deed of trust encumbering one or more Lots.

18. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee interest in any Lot within the Development, excluding however those parties holding such interest merely as security for the performance of an obligation.

19. "Period of Developer Control" means the period commencing upon the date hereof and ending on the later of the following dates: (a) five (5) years after the first conveyance of a Lot to a purchaser other than the Developer (or such earlier date as the Developer may elect by notice to all Owners), or (ii) when eighty percent (80%) of the Lots in the Development have been conveyed to purchasers other than the Developer; provided, however, such periods may be extended by the Developer upon making Additional Properties a part of the Development as set forth in Article III, paragraph 6 hereof.

20. "Plat" shall mean and refer to the final record Plat of Rosemont, of record in Plat Book 29, page 516, Register's Office for Williamson County, Tennessee, as the same may be amended or supplemented from time to time, a copy of which is attached as Exhibit B attached hereto.

21. "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and use of the singular shall include the plural where the context so requires.

22. "Plans" shall mean the detailed plans prepared for construction of any Improvement, which shall comply with the provisions of Article V, Section 4 hereof.

23. "Repurchase Option" shall have the meaning ascribed to that term in Article V, Section 8 hereof.

24. "Special Assessments" shall mean additional assessments of Owners made from time to time by the Board pursuant to Article IV, Section 3.

25. "Vote" or "Votes" shall mean the vote or votes in the affairs of the Association to which each Member is entitled, all as shown on the schedule attached hereto as Exhibit C and incorporated herein.

ARTICLE II.

PROPERTIES SUBJECT TO THIS DECLARATION

1. Property Subject to Declaration. The property that is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Williamson County, Tennessee, and is more particularly described on Exhibit A and shown on the recorded Plat

consisting of Lot Numbers 1 through 35, and the Common Areas shown thereon. The Lots and Common Areas shown on the Plat are made subject to this Declaration. The Developer, as the legal title holder in fee of the Development, hereby submits and subjects the Development to the provisions of this Declaration. The covenants and restrictions contained herein constitute covenants running with the land and shall be binding upon and shall inure to the benefit of all parties now owning or hereafter having or acquiring any right, title or interest in any Lots or any portion of the Development. Every Person hereafter acquiring a Lot or any portion of the Development, by acceptance of a deed thereto, shall accept such interest subject to the terms and conditions of this Declaration, and by acceptance of the same shall be deemed to have consented to and be bound by the terms, conditions and covenants of this Declaration.

2. Additional Properties. Without further assent or permit, Developer hereby reserves the right, exercisable from time to time, to subject all or part of real property contiguous to the property described in Exhibit A (the "Additional Properties") to the restrictions set forth herein in order to extend the scheme of this Declaration to such Additional Properties to be developed as part of the Development and thereby to bring such Additional Properties within the jurisdiction of the Association. The Developer shall have the voting rights as specified hereinafter with respect to any added Lots.

3. Supplementary Declarations. The additions herein authorized shall be made by filing of record one or more supplementary Declarations in respect to the creation of additional Lots or the addition of other properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for its just share of the Association's expenses and shall also require the filing of such additional plats as are required for such additions in the Register's Office for Williamson County, Tennessee. Each supplementary Declaration must subject the added property or additional Lots to the covenants, conditions and restrictions contained herein.

4. Consent to Rezoning. Every Owner shall be deemed to have consented to any rezoning of the Additional Properties that may be necessary to the development of such property as part of the Development. Owners of any Lots in the Additional Property shall succeed to all of the rights and obligations of membership in the Association.

5. Compatibility of Construction. Developer warrants that any additional Lots to be constructed on the Additional Properties together with any Common Areas to be added hereunder shall be compatible in size, style and quality of construction with the remainder of the Development. Neither the Association nor any Owner may assert as a reason to object to the new development plan the fact that existing Association facilities will be additionally burdened by the property to be added by the new development.

6. Acceptance of Development. By the acceptance of a deed to a Lot, any purchaser of a Lot shall be deemed to have accepted and approved the entire plans for the Development, and all improvements constructed by that date, including, without limitation, the utilities, drains,

roads, landscaping, fences, gate, decorative masonry, or landscaping, and all other improvements as designated on the Plat and as may be supplemented by additional plats upon the extension of the Declaration to the Additional Properties. Such purchaser agrees that improvements constructed after the date of purchase which are consistent with such plans and of the same quality of the then existing improvements shall be accepted.

7. Security. Security may be provided at the Developer's discretion during the Period of Developer Control and thereafter at the discretion of the Association, and no Owner shall have any cause of action against the Developer or the Association for failure to provide adequate security.

ARTICLE III.

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

1. Members. Every Owner shall be a Member of the Association. Membership in the Association is appurtenant to and may not be separated from ownership of any Lot.

2. Classes of Membership. Association shall have two classes of membership:

a. Class A Members shall be all Owners except for the Developer prior to the termination of Period of Developer Control. If, however, Developer owns one or more Lots upon or after the termination of the Period of Developer Control, then Developer shall become a Class A Member with respect to the Lots it owns.

b. During the Period of Developer Control, the Class B Member shall be the Developer. The Class B Membership shall terminate upon termination of the Period of Developer Control.

3. Voting and Voting Rights. The voting rights of the Members shall be appurtenant to their ownership of Lots. The two Classes of Members shall have the following voting rights:

a. Each Class A Member shall be entitled to cast the Vote(s) attributable to each Lot owned by such Member as identified in Exhibit C appended hereto and incorporated herein. When two or more persons hold an interest (other than a leasehold or security interest) in a Lot, all such Persons shall be Members, but the Vote(s) attributable to such Lot shall be exercised by one of such Persons as proxy and nominee for all such Members and in no event shall more than one (1) Member be entitled to cast the Vote(s) attributable to such Lot. Furthermore, neither the Developer nor any other person or individual dealing with the Development shall have any duty to inquire as to the authorization of the Member casting the Vote for a Lot, but shall be entitled to rely upon the evidence of voting as conclusive evidence of such Member's authority to cast the Vote for such Lot.

b. The Class B Member shall be entitled to cast the greater of (i) five (5) Votes for each single vote attributable to the Lots to which it holds title; or (ii) two (2) times the number of Votes to all Class A Members.

c. Any Member who is delinquent in the payment of any charges or assessments duly levied by the Association against a Lot or Lots owned by such Member shall not be entitled to vote until all such charges, together with reasonable penalties and interest and collection costs thereon as the Board may impose, have been paid to the Association. In addition, The Board may after a hearing at which the general requirements of due process are observed, suspend the right of such Member to use the Common Areas or any other facilities or services that the Association may provide until such delinquency is cured. Such hearing shall be held only after giving such Member ten (10) days prior written notice specifying the alleged violation and setting the time, place and date of such hearing.

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

5. First Annual Meeting. The first regular annual meeting of the Members for the election of Directors and such other business as shall come before the Members (the "First Meeting") shall be held on a date to be selected by the Board within the first ninety (90) days following the expiration of the Period of Developer Control. Until the First Meeting, the members of the Board shall be appointed by the Developer.

6. Extension of Period of Developer Control. Upon the filing of supplements to this Declaration that add Additional Properties to the Development in the form of additional Lots, the time periods for the period of Developer Control specified above in Article I, Section 8 hereof, shall be extended to run for the full period of five (5) years following the date of each such supplement, provided such supplement is filed during an unexpired Period of Developer Control.

ARTICLE IV.

ASSESSMENTS

1. Annual Assessments. The Board shall have the power and authority to levy Annual Assessments against all Lots. Annual Assessments shall be used to provide funds for such purposes as the Board shall determine to be for the benefit of the Development, including, without limitation, the improvement, maintenance, operation and security of the Common Areas, payment of taxes, payment of insurance premiums providing hazard insurance for improvements within Common Areas and liability insurance protecting Owners and Directors, payment of utility bills thereon (including water for sprinkler systems), payment of reasonable costs to provide attractive

seasonal landscaping of the Common Areas, street maintenance costs, security gates, the repair, replacement and additions that may be necessary to the Common Areas and waterways, and the cost of labor, equipment, materials, management and supervision thereof. The Board shall have the right, but not the obligation, to use the Annual Assessments to provide supplemental landscaping and maintenance within Lots, and garbage and trash collection and disposal, if needed, to supplement that provided by public authority. The Board shall fix the amount of Annual Assessment each year by preparing an annual budget for the services to be provided by the Association in the coming year, and allocating said amount equally among the Lots.

2. Landscape Assessments The Association shall provide lawn care services to all Lots in the Development to assure a pleasing appearance to the entire Development; provided, however, the Board may upon specific application allow an Owner to maintain his Lot on an annually reviewable basis if the Board determines, in its sole discretion, that such Owner's lawn maintenance program is consistent with the lawn maintenance program for the entire Development as administered by the Association. For such purpose, each of the Owners of Lots not specifically exempted by the Board shall pay, in addition to Annual and Special Assessments, a Landscape Assessment to be set by the Board and which shall be payable at the same time as the Annual Assessments are set and payable. The Landscape Assessment will approximate the reasonable cost, including administrative costs, of providing the additional service to each of the Lots benefited thereby as determined by the Board on a Lot-by-Lot basis.

3. Special Assessments. In addition to the Annual Assessments authorized herein, the Board may level a Special Assessment applicable to a particular year; provided that any such Special Assessment must have received the affirmative Votes of not less than fifty percent (50%) of the total Votes within the Association at a meeting of all Members held after not less than five (5) days' prior written notice of the date, time and purpose for said meeting, at which a quorum shall be present. Special Assessments shall be due and payable on the date which is fixed by the resolution authorizing such Special Assessment. Note that Special Assessments shall not be allocated equally, but allocated in accord with the percentages attributed to each Lot and identified in Schedule C as attached hereto and incorporated herein.

4. Milcrofton Utility District. Milcrofton Utility District (the "District") maintains a waterline in a utility easement to the south side of Rosemont's main entrance on Arno Road. The District has allowed Rosemont to landscape within the easement area on the condition that Rosemont assumes all costs incurred in repairing or replacing such landscaping in the event the District must repair or replace water lines in the easement area.

Accordingly, the Association will collect \$700 from each Lot Owner upon purchase of each Lot. The Association will retain these funds in a separate, interest-bearing account to be used to replace or repair any landscaping displaced by the District's actions.

5. Assessments based on Per-Lot Basis. All assessments are levied on a per-lot basis, whether equally or in accord with the allocation for Special Assessments; such shall be payable by the individual owner thereof, regardless of whether or not such owner is also the owner of one or more additional lots.

6. Exempt Property. The Impositions and liens created under this Article shall not apply to the Common Areas or to Lots owned by the Developer during the Period of Developer Control so long as the Developer has elected to make contributions pursuant to option (a) as set forth in paragraph 6 under this Article IV. All property within the Development that is dedicated to and accepted by a local public authority, that is granted to or used by a utility company, or is designated as part of the Common Areas, shall be exempt from such Impositions.

7. Property Owned by Developer. During the Period of Developer Control, the Developer may elect either (a) to make an annual contribution to the Association sufficient to defray the costs of the Association that cannot be funded from Annual Assessments and Landscape Assessments levied on the Lots that have been sold to purchasers other than the Developer (provided, however, the amount of the Annual Assessments on Lots not owned by the Developer may not increase by more than five percent (5%) per year while the Developer's Lots are not subject to assessment) or (b) to have its Lots assessed in the same manner as the Lots that have been sold to purchasers other than the Developer.

8. Payment of Assessments. The Board shall have the power and authority to determine the payment method of all Annual Assessments and Landscape Assessments. Unless provided otherwise by the Board, each Owner shall pay the Annual Assessment and Landscape Assessment on or before the first of April of the year to which said assessment relates, and the Board shall fix the amount of the Annual Assessment and Landscape Assessment and send a notice thereof to each Owner on or before the first of February of each such year. The Board shall have the authority to require quarterly or monthly payments of installments of the Annual Assessments and Landscape Assessments.

9. Commencement. Annual Assessments and Landscape Assessments upon a Lot shall commence upon the later of (a) January 1, 2000, or (b) upon the purchase of the Lot from Developer. Assessments on Lots that first become subject to assessments during a calendar year shall be prorated on a calendar year basis for the remainder of such calendar year.

10. Records of Assessments. The Association shall cause to be maintained in the office of the Association a record of all Lots and Impositions applicable thereto that shall be open to inspection by any Owner. Written notice of any Imposition shall be mailed to every Owner of the Lots subject to assessment. The Association shall, upon demand and payment of a reasonable

charge, furnish to any Owner a certificate in writing signed by an officer of the Association or by its authorized managing agent setting forth whether the Impositions against such Owner's Lot have been paid, and if not, the amount then due and owing. Absent manifest error, such certificate shall be deemed conclusive evidence to third parties as to the status of Impositions against any Lot within the Development.

11. Creation of Lien and Personal Obligations of Assessments. Each Owner of any Lot shall, by its acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and conditions of this Declaration and promises to pay to the Association all Impositions which may be due from Owner from time to time. All Impositions, together with interest thereon and cost of collection thereof shall be a continuing lien upon the Lot against which such Impositions are levied as of the effective date of each such Imposition. Each such Imposition, together with such interest thereon and cost of collection therefore as are hereinafter provided, shall also consist of the personal obligation of the Person who was Owner of such Lot at the time when the same fell due. In the event a Lot is owned by more than One Member, all of such Members shall be jointly and severally liable for the entire Imposition then due.

12. Effect of Non-Payment of Imposition. If any Imposition hereunder is not paid upon the due date, or if any similar charge otherwise agreed to be paid by Owners in this Declaration is not paid when due, then such Imposition shall be delinquent and shall accrue interest thereon at the highest rate then permissible under the laws of the State of Tennessee commencing upon the due date. If such Imposition is not paid within thirty (30) days after the due date, then the Association may bring an action at law against the Owner personally, and/or at its option, foreclose the lien against the Lot by court action or trustee sale as hereinafter provided, and there shall be added to the amount of such Imposition, all reasonable attorney's fees and costs incurred by the Association in any such action, and in the event a judgment is obtained, such judgment shall include interest on the Imposition as indicated above.

13. Enforcement of Lien by Trustee's Sale. For and in consideration of the privileges and protections granted in this Declaration, and the mutual enjoyment and use of the Common Areas, and for the express purpose of securing the payment of the Impositions described above, in order to avoid unnecessary court proceedings or delays for the enforcement of the liens described above, each Owner by accepting a deed to a Lot for their heirs, successors and assigns, does hereby transfer and convey unto Laurence M. Papel, Trustee, his successors and assigns ("Trustee"), each such Lot deeded to such Owner with the appurtenances, estate, title and interest thereto belonging to the Trustee for the following uses in trust:

Each Owner agrees to pay all Impositions provided herein when due and upon demand of said Trustee or the Association, to pay, discharge, or remove any and all liens except a first mortgage or deed of trust lien which may hereafter be placed against said Lot which would adversely affect the lien granted herein, and in case the Trustee or his successors or the Association shall hereafter be required to appear in any court or tribunal to enforce, or defend the

title to, or possession of, or costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed and be payable by said Owner upon demand of the Trustee or the Association, and upon failure to do any of these things then said Trustee or Association may do any or all of said things, and the amounts so paid shall bear interest from the date of payment at the highest rate then permitted by the laws of the State of Tennessee and shall be and become a part of the indebtedness secured hereby.

If any Imposition, together with interest thereon, is not paid promptly when due or within a period of cure allowed above, or if after said Owner fails to pay any other sums due as above provided, or further, fails to reimburse the Trustee or Association within thirty days from the date of the Trustee's or Association's payment of such sums, this trust conveyance shall remain in full force and effect, and the said Trustee or his successor in trust is hereby authorized and empowered, upon giving twenty (20) days' notice by three publications in any daily or weekly newspaper published in Davidson County, Tennessee, to sell said Lot at the front door of the Courthouse in said County to the highest bidder for cash at public outcry, free from the equity of redemption, statutory rights of redemption, homestead, dower, and all other exemptions of any kind which are hereby expressly waived; and the said Trustee or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser at such foreclosure sale. The Association may bid at any sale under this trust conveyance. The Trustee may at any time after default and the payment of any of the above described indebtedness enter and take possession of said Lot and shall only account for the net rents actually received by said Trustee. It is further agreed that in the event the Trustee fails, before selling said Lot as herein provided, to enter and take possession hereof, the purchaser shall be entitled to immediate possession of said Lot upon delivery to him by the Trustee of a deed for said Lot. In case of sale hereunder, the proceeds shall be applied by the Trustee as follows:

- (a) to the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided, together with reasonable attorney's fees for advice or for instituting and defending any litigation which may arise on account of the execution of this conveyance or the enforcement of said lien, together with the expenses and costs of such litigation,
- (b) to the payment of all taxes which may be unpaid upon said Lot,
- (c) to the payment of all unpaid Impositions herein secured,
- (d) the residue, if any, to be paid to the order of said Owners or their representatives or assigns.

In the event of the death, absence, inability, or refusal to act of said Trustee at any time when action of the foregoing powers and trusts may be authorized, or for any other reason, the lawful owner and holder of said lien is hereby authorized and empowered to name and appoint a successor in trust to execute this trust by an instrument in writing to be recorded in the

Register's Office for Williamson County, Tennessee, and title therein conveyed to the above named Trustee shall be vested in said Successor Trustee. The Trustee is authorized to appoint an attorney-in-fact to conduct in his stead and on his behalf and with the same power possessed by said Trustee as granted herein any and all foreclosure sales authorized above.

14. Priority of Lien. The lien described in this Article shall be subordinate to the lien of any Mortgagee under a recorded first mortgage or deed of trust encumbering any such Lot to the extent that the lien reserved herein secures any Impositions accruing after the recording of such mortgage or deed of trust. In the event any Mortgagee becomes the Owner of such Lot after foreclosure thereof, or conveyance by deed in lieu of foreclosure, trustee's deed, or the like, such Mortgagee shall become subject to the lien reserved herein for the purpose of securing all Impositions becoming due from and after the date such Mortgagee accepts a deed to said Lot.

ARTICLE V.

ARCHITECTURAL REVIEW COMMITTEE

1. Designation of Committee. The Association shall have an Architectural Review Committee (the "ARC") which shall consist of not less than three nor more than five members who shall be natural persons. During the Period of Developer Control, the members of the ARC shall be appointed and shall be subject to removal at any time by the Developer. After termination of the Period of Developer Control, the members of the ARC shall be appointed and shall be subject to removal at any time by the Board. The ARC shall designate an individual as its Secretary, and all communications with the ARC shall be conducted through the Secretary. The ARC shall employ an architect or engineer (the "Engineer") who shall be responsible for the technical review of plans for the account of the ARC. At the Preliminary Review, the Owner shall meet with members of the ARC to openly address the issues raised by the concepts submitted, this to insure an appropriate alignment with the governing philosophy of the development and with the design criteria themselves. At all times, the ARC shall include an architect, an interior designer, and a landscape architect, each a recognized practitioner in the design-build custom-home market.

2. Function of the Architectural Review Committee. No Improvement shall be erected, constructed, placed, maintained or permitted to remain on any Lot until the plans therefor (the "Plans") shall have been submitted to and approved in writing by the ARC, which shall determine in its sole discretion whether or not the proposed Improvement, and all features thereof, is consistent with the "Design Criteria" as set forth in Section 3 of this Article V and otherwise compatible with other improvements constructed within the Development. The ARC shall be the sole judge and arbiter of such consistency and compatibility. As a prerequisite to consideration for such approval, and prior to the beginning of the contemplated work, the Owner shall be required to make the submissions required by paragraphs 4, 5 and 6 of this Article V together with a reasonable fee to be charged by the ARC to defray the costs incurred in considering and acting

upon any proposed Plans, and in requiring changes to secure approval. Initially, this fee shall be \$1,500, and shall be due payable along with the Preliminary Submittal application. All Plans of proposed Improvements to be constructed within the Development must be of an architectural style as specified in the Design Criteria, and the ARC may refuse approval of any Plans that in its sole judgment are inconsistent with the overall intent and the aesthetic values of the Development or the architectural standards described in the Design Criteria.

3. Design Criteria. In carrying out the functions of the ARC, and in order to insure uniformity of quality of the Improvements located within the Development, the ARC has prepared, and shall make available to all Lot Owners, a statement of Architectural Design Criteria which shall be observed in the construction of all Improvements within the Development (the "Design Criteria"). The Developer and, after the termination of the Class B membership, the Association, reserves the right to modify and amend the Design Criteria from time to time as it deems appropriate based upon changes and innovations in construction methods and techniques.

4. Review and Submittal Process. Any Owner desiring to construct Improvements must first review the appended "Design Criteria" and submit a "Preliminary Design Application" in accord with those Criteria. These should *truly* be no more than preliminary concept renderings indicating the governing architectural style of the four-sided elevation, a lot plan relating all structures to the existing building envelope, and a basic floor plan. The builder must also be identified at this stage, as well as the landscape architect. These plans shall be the focus of an initial meeting with the ARC. Subsequently, a final application shall include submittal of a detailed package in triplicate that has been prepared by a licensed architect (or an established home designer) approved in the Preliminary Meeting; this application shall include at a minimum the following: Lot Plan design; Culvert/Access design; Drainage Engineering; Elevations on all sides; Floor Plans including ceiling heights, roof pitch, footing details, etc.; Building Materials including samples; Interior Finishes, including millwork, moulding, cabinetry, floor surfaces, fixtures, etc.; Exterior Improvements including attached decks, swimming pools, and all detached structures; and a Landscape Plan integrating all plantings to the details of the buildout, to the larger Landscape Plan of the development, and to all abutting viewpoints. Landscaping shall be a signature aspect of the development, and all owners should budget 5% of the appraised retail value of the residence as a benchmark. As further explanation, the submittal package must include the following:

a. A Lot Plan: drawn on a scale of one inch equals twenty feet (20'), reflecting (or including with appropriate settlements) the following information:

- (i) a survey of the Owner's Lot showing the dimensions of the Lot and Lot area, the location of any utilities crossing the Lot, and contours of the land drawn at two foot (2') intervals;
- (ii) the relationship of the proposed Improvement to each Lot line, to the rear property line and to the front property line;

- (iii) finished floor elevations of the first floor, garage and basement, if any, of all Improvements;
- (iv) any and all detached structures, including swimming pools, pool houses, guest houses, gazebos, playgrounds for children, greenhouses, equestrian stables or training facilities, other detached structures, walls, and/or fences of any kind on the lot;
- (v) the provisions for drainage all of which should move into the channels provided by the Final Plat for the Development as a whole;
- (vi) such other information as may be necessary to evidence compliance by the Plans with the Design Criteria.

b. Elevation Drawings: of the front, sides and rear of any new structure included within the Improvements, together with the overall height of any new buildings to be constructed, measured from the average grade at the front elevation.

c. A Culvert / Entrance Design: on a separate plan drawn on a scale suitable for detailing all specifics and showing its integration into the lot from the paved R.O.W. ("Right-of-Way") to the setback of the building envelope.

d. Building Materials: a list, including samples, of all building materials essential to the exterior profiles, along with the color schemes involved.

e. Interior Finishes: a list, including samples, and separate design sheets when helpful, showing the quality of all surface treatments, the millwork and the woods to be utilized, the cabinets, and all the installations that shall contribute to the custom aesthetic of the Residence.

f. Separate Landscape Plan: a separately detailed Landscape Plan for the entire Lot, listing all plantings, provisions for irrigation, lighting, and related structures (driveways, terraces, ponds, waterfalls, etc.).

5. Preliminary Submission. If the Preliminary Lot Plan is approved by the ARC, the Owner shall proceed with the completion of his Plans. If, on the other hand, the Preliminary Lot Plan is disapproved, the Owner shall cause such modifications to be made to the same as shall be necessary to obtain the approval of the ARC. Once the Preliminary Lot Plan has been approved by the ARC, it shall be followed by the development of the Owner's Plans for the improvement of the Lot. Under no circumstances should an Owner proceed to prepare a detailed submittal package until the Preliminary submittal has been approved in writing by the ARC.

6. Submission of Plans. The Owner shall then submit the Plans for the proposed Improvement to the ARC, which will refer the same to the Engineer. The Engineer shall then examine the Plans and determine whether they comply with the Design Criteria. The Engineer shall use his best efforts to complete his examination of the Plans within 14 days after the date on which the Plans are referred to him. If he shall determine that the Plans do not comply with the Design Criteria, the Plans shall be returned to the Owner for revision, with comments detailing the reasons for noncompliance, without consideration by the ARC. If the Owner shall desire to have the Plans revised to comply with the Design Criteria, he may do so and resubmit the same to the ARC for review again by the Engineer.

Upon the determination by the Engineer that the proposed Improvement complies with the Design Criteria, the Plans shall be referred to the ARC, which shall review the same for their architectural and aesthetic approval and for their compatibility with the overall Development and with the community at large. The ARC shall certify its approval or disapproval of the Plans to the Owner within 30 days after the referral of the Plans to it. The ARC may grant or withhold its approval of the Plans in its discretion. The ARC's approval of the Plans for any Improvement shall be effective for a period of one year (1) and if construction of the proposed Improvements shall not have commenced within that time period, the approval shall no longer be valid.

Additionally, the ARC may impose a reasonable charge to defray its expenses in the consideration of any resubmission of the Plans. Totally new submittals shall be charged the then current submittal fee.

Finally, the ARC shall require the Owner to post a bond or make a security deposit of no less than Five Thousand Dollars (\$5,000.00) or such higher amount as the ARC may determine in its reasonable discretion in order to insure Owner's compliance with the Plans. At any time during the construction process, the ARC may require the Owner to increase this bond. Said bond or deposit shall be refunded to such Owner upon completion of construction and approval thereof pursuant to Section 7 below.

7. Construction of Improvements. If the ARC approves the Plans, the Owner shall construct the Improvement in conformity with the same. Actual construction shall be the responsibility of the Owner and shall commence before the expiration of the ARC's approval. Upon the completion of construction of the Improvement, however, and prior to occupancy, the Owner shall notify the ARC, which shall have the Improvement inspected by the Engineer to insure that construction was completed in accordance with the Plans. If construction has not been carried out in accordance with the Plans, or if changes in the Plans have been made without the prior written approval of the ARC, occupancy of the Improvement shall be delayed until the necessary corrections are made; provided, nevertheless, that if the Owner shall fail to make the necessary corrections within 90 days after the date on which the Owner is notified that the Improvement has not been constructed in accordance with the approved Plans, the Developer during the period of Developer Control, and thereafter the Association, may, at its option, make the necessary corrections, or remove the Improvement in question, at the expense of the Owner.

8. Repurchase Option if Construction Not Commenced. If an Owner, or any successors in title to such Owner, shall fail to commence construction of a residence within two (2) years after the closing of the initial purchase of the Lot from the Developer, then the Developer shall have a first option to repurchase the Owner's Lot for a consideration equal to eighty-five (85%) percent of original purchase price of the same, which shall be paid in cash (less any balance of the original purchase price then owing to the Developer by the Owner) upon the execution and delivery of a warranty deed transferring title to the Lot in question to the Developer free of encumbrance or defect in title made or suffered by the Owner (herein the "Repurchase Option"). If the Developer shall desire to exercise the Repurchase Option, it shall give notice in writing to the Owner within ninety (90) days after the expiration of such two (2) year period and the transfer of title shall be consummated within 60 days thereafter.

In the alternative, and in lieu of exercising its Repurchase Option, the Developer may, at the Owner's request, grant written extensions of the period for the commencement of construction of the Owner's residence, in increments of one year each. In the event the Developer shall grant one or more such extensions, the time for the exercise of the Repurchase Option and the commencement of construction by the Owner shall likewise be extended. The Developer's right to exercise the Repurchase Option granted in this Section shall continue to be effective, notwithstanding the termination of the Period of Developer Control.

9. Limited Effect of Approval of Plans. The approval by the ARC of an Owner's Plans for the construction of an Improvement upon any Lot is not intended to be an approval or opinion of the structural stability, integrity or design of a completed Improvement or the safety of any component therein, but is required solely for the purpose of insuring compliance with the covenants contained herein and further to insure the harmonious and orderly architectural and aesthetic development and improvement of the Lots contained within the Development. Notice is hereby given therefore to any future occupant of any completed Improvement, and all invitees, visitors and other persons who may from time to time enter or go on or about such completed Improvement, that no permission or approval granted by the ARC, the Developer or the Association with respect to the construction of an Improvement pursuant to this Declaration shall constitute or be construed as an approval of the structural stability of any building, structure or other improvement, and no liability shall accrue to the Developer, the ARC or to the Association in the event that any such construction shall subsequently prove to be defective.

10. Exclusive Contractors. In order to minimize confusion and the complications which may result from the construction of a number of Improvements upon different Lots within the Development at the same time, and in order to insure the maintenance of a high quality of construction, the Developer reserves the right to designate an approved list of contractors who or which shall be the exclusive contractors authorized and permitted to make construction improvements within the Development, which list may be revised from time to time at the sole discretion of the Developer.

ARTICLE VI.

IMPROVEMENT SETBACK AND USE RESTRICTIONS

1. Improvement Restrictions. In addition to the requirements of Article V above concerning compliance with the architectural review authority of the ARC, the following restrictions apply to Improvements:

a. Combination of Lots. If one or more contiguous Lots are owned by the same Owner, they may be combined upon the consent of the Developer for the purpose of placing approved Improvements thereon, but they shall retain their status as individual Lots for purposes of voting and Impositions. Individual Lots may not be resubdivided to create a smaller area than originally deeded to an Owner and/or as shown on the Plat.

b. Setback Lines. Minimum setback requirements on the Plat shall be observed, but are not intended to create uniformity of appearance, but rather to avoid overcrowding and monotony. Therefore, to the extent possible, it is intended that the setbacks of Improvements be staggered and be used to preserve trees and assure vistas of open areas. The ARC reserves the right to approve the location of each residence upon the Lots within the setback lines and/or building areas established by the Plat, in such manner as it shall deem, in its sole discretion, to be in the best interest of the Development and in furtherance of the goals set forth herein.

c. Grading. No Owner shall excavate earth from any of the Lots for any business or commercial purpose, and no elevation changes will be permitted which could materially affect the surface grade of the Lot without the consent of the ARC, which must also approve the nature of the earthwork and the manner and methods of installation.

d. Floor Area of Residence. The total floor area of the main residential structure upon each Lot, exclusive of open porches, patios, breezeways, and attached garages shall conform substantially with the suggested minimum improvement square footage for such Lot as set forth in Exhibit C.

e. Other Structures. No detached garages, carports, barns, running sheds, pool houses, guest houses, greenhouses, stables, or other outbuildings may face the street in front of a residence or be visible from the street without the prior approval of the ARC.

f. Tennis Courts. Tennis courts for the use of Owners and their guests may be constructed on Lots so long as (i) a regulation court can be accommodated within the rear yard area at a distance of no less than ten (10) feet from the primary and secondary septic fields, (ii) landscaping screens the court from view from any street within the Development and from adjoining Lots, and (iii) the ARC has approved the location, fencing, wall materials and overall design.

g. Swimming Pools, Therapy Pools and Spas. Swimming pools, therapy pools and spas for the use of Owners and their guests may be constructed on Lots so long as (i) they are below ground level and of a permanent nature, (ii) the location complies with the minimum setback requirements shown on the Plat, (iii) pool facilities shall be located in the rear yard only and at a minimum setback of 25' from the septic fields, (iv) all applicable laws, ordinances, rules and regulations of governmental agencies are met and all necessary governmental permits are obtained by the Owner, (v) pools are completely fenced in a manner approved by the ARC, (vi) construction is not commenced until after the Improvement consisting of the residence has been commenced, and (vii) the ARC has approved the design and location.

h. Driveways Culverts and Driveway Entrances. The ARC shall approve the location, construction, and types of materials for all driveways and driveway entrances located upon Lots. Culverts must be designed to complement the natural aesthetic of the Development. Long driveways should curve with the topography.

i. Fences and Walls. Boundary walls or fences for individual Lots may be erected to enclose rear and side yard areas so long as they are of materials and heights and at locations approved by the ARC. No boundary wall or patio or courtyard wall shall extend to a height greater than six (6) feet from ground level without prior written approval from the ARC. Generally, only wrought iron or powder-coated aluminum fences shall be allowed on the Lots that adjoin Arno Road; and only black painted four-rail fences (Kentucky cross board fences) shall be allowed on the larger equestrian lots. No walls other than retaining walls may be constructed along the street on the front of any Lot unless approved by the ARC, and no retaining wall shall extend to a height greater than three (3) feet above the earth being retained. All boundary and retaining walls must be of materials approved by the ARC.

j. Clotheslines. There shall be no outside clotheslines, clothes hanging devices, or the like upon any Lot.

k. Lighting. No building-mounted floodlights shall be permitted on the front or sides of any Improvement facing a street, and there shall be no exterior lighting visible from any street within the Development (other than porch lights or eave lights), unless otherwise approved by the ARC. Decorative postlights are discouraged. Any walkway, driveway, or landscape lighting shall be of low intensity with light sources concealed from view from any street within the Development. Seasonal decorative lighting shall be permitted only during the holiday season (between Thanksgiving and the following January 7th of each year). Lights installed on the sides and rears of any Improvement must be adjusted so that the rays of any beam or floodlight shall not interfere with the neighboring Lots.

l. Gaslights; Open Flame. The Development shall be an open-flame gaslight community. Each mailbox shall have a uniform gaslight; and each entrance way shall include gaslights to either side of the main entrance.

m. Mail Boxes. The Developer has established a uniform mailbox location system for each Lot. Owners of Lots shall be required to reimburse the Developer for the actual cost of such mailboxes and Owners shall be responsible for installation. There shall be no names displayed on the mailboxes. Address numbers only may be displayed.

n. Screening of Mechanical and Storage Areas. Excepting the initial construction period, any and all equipment, air conditioner condensers, garbage cans, woodpiles, refuse or storage piles on any Lot, whether temporary or permanent, shall be screened to conceal the same from the view of neighboring Lots, roads, or Common Areas, with the plans for any screening, fences and/or landscaping to be approved by the ARC. Incinerators for garbage, trash or other refuse shall not be used or permitted to be erected on any Lot. Refuse shall not be placed even temporarily along the roadside adjacent to any Lot but must be stored in the above-described manner while awaiting pickup.

o. Screening Areas. No utility meters, air conditioning compressors, pumps and/or pump houses and other equipment shall be visible from neighboring Lots, roads or Common Areas.

p. Landscaping; Lawns. No trees greater than 8" in diameter may be removed from a Lot without the consent of the ARC. No Owner may occupy a residence until the approved Landscape Plan is fully installed unless given prior written permission by the ARC for reasons directly related to seasonal weather requirements. Lawns must be seeded, sodded, and maintained with approved grasses: Bermuda grass is specifically prohibited. All landscaping plans must show adequate provision for regular irrigation.

q. Occupancy Permit. No residence upon any Lot may be occupied prior to (i) the issuance of a final use and occupancy permit for the same by the proper authorities of Williamson County and (ii) approval of the ARC.

r. Basketball Goals. Basketball goals shall not be permitted unless they are not visible from any street within the Development and have been approved by the ARC; clear acrylic backboards are suggested.

s. Outside Recreation Equipment. Outside recreation equipment may be placed upon any Lot so long as (i) the equipment is located within the rear yard area at a setback of no less than ten (10) feet from all septic areas, (ii) such equipment is not visible from any street within the Development, and (iii) the design and location is approved by the ARC prior to installation. It is understood that the ARC may, without limitation, require screening with landscaping, fences or walls. For the purpose of this paragraph, outside recreation equipment shall include swings, slides, trampolines, playhouses, and similar equipment or structures. All equipment must be of approved materials. Tree houses must be reviewed and approved by the ARC: they must be structurally sound, and fully constructed with roof, walls, proper ventilation, and safety precautions installed.

t. Signs. No sign, billboard or poster of any kind shall be erected, exhibited, maintained or placed upon any Lot. The Developer alone shall have the right to erect reasonable and appropriate signs for its own use and the use of other parties.

u. Antennae. No transmitting or receiving equipment of any kind (i.e. antennae, small or large satellite dishes) for radio, television, or communications may be located on the exterior of any Improvement or on the Lot without the consent of the ARC, and in no event may such equipment be in the front of any Lot or be visible from roads. The specific location and color of such equipment must be approved by the ARC.

2. Use Restriction.

a. Residential Use. Each Lot shall be used only for private, single residential purposes consistent with this Declaration, and not otherwise. No guest house, pool house, garage, or other detached structure shall be used as a permanent dwelling by persons not related to the Owner by blood or marriage or employed by the Owner for the care of such Owner's family or residence located on the Lot.

b. Nuisance. No Owner shall use his Lot in such a manner as to create a nuisance. No Owner shall commit waste upon any Lot within the Development.

c. Parking. All vehicles must be parked in garages or driveway areas and may not be parked on grass or yard areas. Guest parking shall be limited to the areas designated as such upon the Plat or by the Developer during the Period of Developer Control, and thereafter by the Board. No wrecked vehicle or vehicles in a non-functional condition or vehicles without proper registration shall be parked on any Lot or upon any of the Common Areas. No house trailers or portable buildings shall be permitted within the Development. No Owner shall permit any vehicle (operable or inoperable) owned by such Owner or by any person occupying his Improvements or by any guest or invitee of such Owner to remain parked on any street within the Development for a period of more than twenty-four (24) consecutive hours. Any vehicle which remains parked on the street in violation of the foregoing covenant, or in violation of any other rules and regulations now or hereafter adopted by the Board, may be towed at the expense of the Owner of such vehicle or the Owner of the Lot adjacent to which such vehicle was parked. Neither Developer, the Association, or the Board shall be liable to the owner of such vehicle for trespass, conversion, or otherwise, nor be guilty of any criminal act by reason of such towing, and neither the removal nor the failure of the owner of such vehicle to receive any notice of said violation shall be grounds for relief of any kind. The term "vehicle" as used herein, shall include, without limitation, motorhomes, watercraft, trailers, motorcycles, scooters, trucks, all-terrain vehicles, campers, buses and automobiles.

d. Animals. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any Lot except household pets which shall be kept in reasonable numbers for the sole pleasure of the occupants, but not for any other purpose or use. No such

household pets shall be permitted to the extent they become a nuisance to neighboring Lot Owners. No pets shall be permitted outside the boundaries of the Owner's Lot unless accompanied by their owners and on a leash. The Board, or any individual resident, may take appropriate measures to insure compliance with this provision, including without limitation, having the animal apprehended by appropriate governmental authorities. Horses may be stabled and pastured on certain Lots designated on the Plat (Lots 102, 103, 105, 106, 107, 108, 109, 111, 112, 117, 118, 119), but a maximum of two (2) horses per Lot are permitted unless otherwise authorized by the Board. Such horses shall be exclusively for the riding enjoyment of the Owners and their guests. No training rings or stable facilities may be located within ten (10) feet of any septic fields. Owners shall not stable horses owned by non-Owners. Horses may be ridden on any private street or within any designated area approved by the Board, but Owners shall be responsible for all damages done by their horses to the Common Areas, including fences, or to any person, whether they are Lot Owners or others. If the Board so determines, Owners riding horses on private streets in the Development shall be subject to special assessment for their pro rata share of the additional cleanup costs occasioned by the use of horses on private streets.

e. Noise. No Owner shall cause or allow any use of his Lot that results in noise which disturbs the peace and quiet of the Development. This restriction includes, without limitation, dogs whose loud and frequent barking, whining or howling disturbs other Lot Owners, exterior music systems or public address systems, and other noise sources which disturb other Owners' ability to peacefully possess and enjoy their Lots. Citations by the Board for violations shall call for fines (punitive impositions) of no less than \$500 per occurrence.

f. Burning. No Owner shall permit or cause the escape of such quantities of dense smoke, soot, cinders, noxious acids, fumes, dust, or gasses as to interfere with the use and enjoyment by other Owners of their Lots. Open burning shall not be permitted on any Lot at any time (during construction or thereafter). Burning of leaves or refuse shall not be permitted within the Development. Citations by the Board for violations shall call for fines (punitive impositions) of no less than \$500 per occurrence.

g. Home Business and Nuisances. No house or other structure on any Lot, other than the Developer's sales office, shall be used for any business purpose that involves employment of personnel other than residents of the improvements or in-person, on-site sales involving non-residents. Each Owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment or discomfort or annoyance to the neighborhood. No noxious, offensive or illegal activity shall be carried out upon any Lot.

h. Watercraft, RVs, Motorcycles. Watercraft, RVs, motorcycles and the like must be stored in garages. At no time shall such be visible from neighboring Lots, streets or Common Areas. No motorcycle, motorbike, motorscooter or recreational all-terrain vehicle shall be permitted to be operated within the Development, except for motorcycles licensed for transportation on public thoroughfares while traveling directly between the Lot where stored or garaged and such public thoroughfares. Such motorcycles may be operated only on the street and

must not utilize a muffler system other than manufacturer's stock except to decrease the noise level of the motorcycle.

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

j. Speed Limit. Any vehicle moving in excess of 25 miles per hour on any street within the Development shall be considered as speeding and the owner or operator thereof shall be subject to any fine levied by the Board; such fines shall be no less than \$500 per occurrence.

k. Dangerous Activities. The pursuit of hobbies or other inherently dangerous activities including without limitation the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms (including, without limitation, "B-B" guns, air rifles, pellet guns, and small firearms of all types), fireworks, or other pyrotechnic devices of any type or size, and other such activities shall not be allowed upon any Lot or within the Common Areas.

l. Recreational Activities. All recreational activities not conducted upon a Lot shall be restricted to the portion of the Common Areas indicated for such purposes

m. Garbage and Refuse Disposal. No Lot nor any Common Area shall be used or maintained as a dumping ground for rubbish. Incinerators shall not be used or permitted to be erected or placed on any Lot. Trash, garbage or other waste shall be kept only in sanitary containers. All equipment for the storage or disposal of such material shall be concealed from view by screening or otherwise by the Owner and be kept in a clean and sanitary condition. No curbside garbage pickup is permitted, and all garbage pickup shall be uniform as contracted by the Association.

n. Rules and Regulations. The Directors may establish rules and regulations governing the conduct of Owners as well as their respective families, guests, agents, and contractors the Lots or Common Areas of the Development to assure that the conduct of such persons meets acceptable standard. Such rules and regulations shall be binding following notice of the adoption thereof to Owners.

ARTICLE VII.

LOT MAINTENANCE

1. Maintenance. All Lots, together with the exterior of all Improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners.

2. Construction. During land development and throughout construction, all Owners and contractors acting under their authority in the development and construction of Improvements upon any Lot shall take all such actions as may be reasonably required to control, inhibit, or prevent land erosion, the sedimentation of streams and impoundments resulting from erosion, and to keep such Lot in a neat and sightly condition, free from trash and debris. No building materials may be stored on any Lot except for the purpose of construction of Improvements on such Lot and then only for such length of time as is reasonably necessary for the construction of the Improvements then in progress. Trailers and the like may not be placed on a Lot and used as a construction office without prior and explicit written consent from the ARC.

3. Maintenance Prior to Construction. After the sale of a Lot but before the commencement of construction, the Developer will maintain such Lot and charge the cost thereof to the Owner as a supplemental assessment. Such maintenance shall consist of lawn cutting and such other landscape maintenance as shall be reasonably necessary to maintain the Lot and the appearance of the Development.

4. Failure to Maintain Lots. In the event any Owner shall fail to maintain the condition of his Lot or the Improvements located thereon in compliance with these Restrictions, the Association (upon the vote of at least two-thirds of its Directors) and after ten (10) days notice in writing and opportunity to cure being afforded to the offending Owner, may enter said Lot and perform such maintenance as may be required to remedy such noncompliance. The cost of such maintenance shall be added to and become a part of the Imposition to which such Lot is subject, and the Owner of such Lot shall be personally liable for the cost thereof.

ARTICLE VIII.

EASEMENTS

1. General. During the Period of Developer Control, Developer reserves an easement for ingress and egress generally across the Development at reasonable places thereon and across the various Lots for the purpose of completing Developer's intended development. Said ingress and egress easement shall in any event be reasonable and shall not interfere with the construction of Improvements on a Lot nor the use and enjoyment of a Lot by an Owner.

2. Emergency. There is hereby reserved without further assent or permit, a general easement to all police officers and security guards employed by the Developer or the Association, firefighters, ambulance personnel, garbage collectors, mail carriers, utility personnel, delivery service personnel and all similar persons to enter upon the Development or any portion thereof in the performance of their respective duties.

3. Easements Over Common Areas. The Plat designates certain areas for roads, private access (Lot 105), utilities, drainage, landscaping, footpaths, Common Areas, and recreational areas. The easements so designated on the Plat encumber the Lots and are hereby established as perpetual and irrevocable easements. Said easements are granted and reserved for the use and benefit in common of all Owners in the Development and their agents, servants, family members and invitees (with the exception of access to Lot 105). No Owner shall have the right to restrict, impede or take any action in any way to prohibit or limit the use in common by all Owners of said easements. However, use of the easements and Common Areas shall be subject to and governed by provisions of this Declaration and the By-Laws, and the rules and regulations of the Association.

4. No Public Rights. The roads within the Development shown on the Plat are not public thoroughfares, and no rights in favor of the general public are intended to be created hereby or by the recordation of the Plat. Instead, said roads are private thoroughfares intended to be maintained, operated and controlled by the Association, and no public authority has any responsibility for maintenance, repair or replacement of said roads. In connection with the foregoing, Developer (during the period of Developer Control) and/or the Association reserves the right to control access to the Development by entry onto the roads of the Development or otherwise. Soliciting within the Development is expressly prohibited.

ARTICLE IX.

SALE OR LEASE OF LOTS

1. Sales, Resales and Advertising. In order to preserve and protect the decorum of the community of residences within the Development, the Association shall strictly enforce its prohibition on signs and placards of any kind. This does not preclude an Owner from media advertising, including Internet and brokerage listings; but all traffic must be by individual appointment. There shall be no "Open House" listings allowed. The Association shall have the power and authority to adopt such additional restrictions and provisions concerning advertisement and sale procedures as the Association believes, as evidenced by the approval of the Board, will promote the orderly, harmonious and nondisruptive marketing of Lots.

ARTICLE X.

MORTGAGEE RIGHTS

1. Special Actions Requiring Mortgagee Approval. Notwithstanding anything herein to the contrary, unless at least eighty percent (80%) of the first mortgagees (based upon one vote for each first mortgage owned) or owners (other than the Developer) of the individual Lots (according to the votes attributed to each Lot as appended hereto and included herein as Exhibit C) have given their prior written approval, the Association shall not be entitled to:

a. By act or omission, seek to abandon or terminate the restrictions declared herein;

b. Partition or subdivide any Lot;

c. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common facilities. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common facilities in the Development shall not be deemed to transfer within the meaning of this clause;

d. Use hazard insurance proceeds for losses to any common facilities for other than the repair, replacement or reconstruction of such improvements, except as provided by statute.

2. Special Rights of Mortgagees. A first mortgagee, or beneficiary of any deed of trust be entitled to the following special rights:

a. Upon request, such first mortgagee is entitled to written notification from the Association of any default in the performance of any individual Owner of any obligation under these restrictions which is not remedied by such owner within sixty (60) days of proper notice.

b. Any first mortgagee shall have the right to examine the books and records of the Association during regular business hours, and such books and records shall be made available to such first mortgagees upon their request.

3. Notices of Mortgages. Any Owner who mortgages his ownership interest shall notify the Association in such manner as the Association may direct of the name and address of his mortgagees and thereafter shall notify the Association of the payment, cancellation or other alteration in the status of such mortgages. The Association shall maintain such information in a book entitled "Mortgages."

4. Copies of Notices to Mortgage Lenders. Upon written request delivered to the Association, the holder of any mortgage of any ownership interest or interest therein shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Owner whose ownership interest or interest therein is subject to such mortgage.

5. Further Right of Mortgagees.

a. No Owner or any other party shall have priority over any rights of the first mortgages pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of common facilities.

b. Any agreement for the professional management of the Association, whether it be by the Developer, its successors or assigns, or any other person or entity, may be terminated on ninety (90) days written notice, and the term of any such contract shall so provide and shall not be of a duration in excess of three (3) years.

c. The Association shall give to the Federal Home Loan Mortgage Corporation or any lending institution servicing such mortgages as are acquired by the Federal Home Loan Mortgage Corporation, notice in writing of any loss to or the taking of the common facilities if such loss or taking exceeds Ten Thousand Dollars (\$10,000). The Association may rely on the information contained in book entitled "Mortgages" as must be established pursuant to this Declaration for a list of mortgages to be notified hereby.

ARTICLE XI.

GENERAL PROVISIONS

1. Duration. The covenants, conditions and restrictions contained herein shall be appurtenant to and run with the land and shall be binding upon all Owners and parties hereinafter having an interest in any of the Development, and all parties claiming under them, until December 31, 2048, at which time they shall be automatically extended for successive periods of ten (10) years each, unless a majority of the Votes attributable to Lots in the Development are cast in favor of a proposition to change, amend or revoke such covenants, conditions, and restrictions in whole or in part at a duly called meeting of the Association within the final one (1) year of the term thereof, as extended. Each purchaser or subsequent grantee of any interest in any property now or hereafter made subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the covenants and restrictions of this Declaration may be extended as provided in this Article XI, Section 1.

2. Amendment. The covenants and restrictions contained in this Declaration may be amended unilaterally by the Developer, without joinder of any Owner, until the termination of the Period of Developer Control. Thereafter, any amendment of this Declaration will require the affirmative vote of at least two-thirds (2/3) of the Votes entitled to be cast by the then Members of the Association at a duly called meeting of the Association at which a quorum is present. By way of clarification, this process of amendment does not apply to making Additional Properties part of the Development as described in Article II, Section 2, nor shall any amendment affecting the rights of the Developer under Article II, Section 2 or the rights of Mortgagees be effective until approved by the Developer or by Mortgagees as provided in Article X, Section I hereof, as the Article X case may be. To the extent then required by applicable laws and/or regulations, all amendments of this Declaration must be approved by the Planning Commission of Williamson

County, or its successor governmental entity. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record. Every purchaser or subsequent grantee of any interest in any property now or hereafter made subject to this Declaration by acceptance of a deed or other property now or hereafter made subject to this Declaration by other conveyance therefor, thereby agrees that the covenants and restrictions of this Declaration may be amended as provided herein.

3. Enforcement. If any person, firm or corporation shall violate or attempt to violate any of provisions of this Declaration, it shall be lawful for the Developer during the Period of Developer Control, the Association following the Period of Developer Control, or any aggrieved Owner to bring an action against the violating party at law or in equity for any claim that this Declaration may create either to prevent said person, firm, or corporation from doing such acts or to recover damages for such violation. The provisions of this paragraph 3 are in addition to and separate from the rights of the Association to collect Impositions. Any failure by Developer, the Association, or any Owner to enforce any of the covenants and restrictions or other provisions of this Declaration shall in no event be deemed a waiver of the right to do so thereafter. Should the Developer, the Association, or any aggrieved Owner employ counsel to enforce any of the covenants or restrictions contained in this Declaration, the prevailing party in any legal action shall be entitled to recover from the nonprevailing its reasonable attorneys fees and expenses incurred in such action. Notwithstanding the foregoing, the covenants contained in Article V, Section 8 hereof regarding the Repurchase Option shall be enforceable only by Developer.

4. Partial Invalidity. Invalidation of any one or more of the provisions of this Declaration by judgment or court order shall neither affect any of the other provisions not expressly held to be void nor the provisions so void in circumstances or applications other than those expressly invalidated, and all such remaining provisions shall remain in full force and effect together with the provisions ruled upon as they apply to circumstances other than those expressly invalidated.

5. Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developer, during the Period of Developer Control, and thereafter the Association, reserves the right (by and with the mutual written consent of the Owner or Owners for the time being of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

6. Books and Records. The books and records of the Association shall, during reasonable business hours, be subject to inspection by any Member upon five (5) days prior notice. The Charter, the By-Laws of the Association, and this Declaration shall be available for inspection by any Member at the principal office the Association, where copies may be purchased at a reasonable cost.

7. Notice. All notices required or permitted hereunder shall be in writing and effective when deposited in the U.S. mail, postage prepaid, addressed to any Owner, the

Developer, or the Association at the address placed on file by such person at the principal office of the Association. If no address has been placed on file by an Owner, the Lot address may be used.

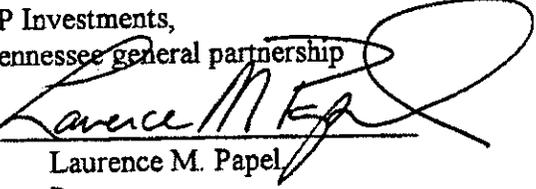
8. Headings and Binding Effect. Headings have been inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the Developer and all persons claiming by, through or under Developer.

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

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed this 15th day of November, 2000.

ROSEMONT,
a Tennessee general partnership,
successor by merger to Rosemont, L.L.C.

By: S&P Investments,
a Tennessee general partnership

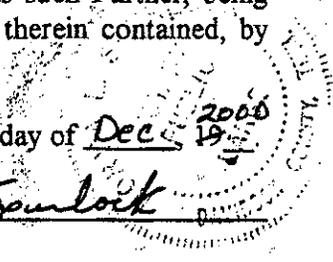
By: 
Laurence M. Papel
Partner

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Before me, Norma L. Spurlock a Notary Public in and for the County and State aforesaid, personally appeared Laurence M. Papel, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be a partner of S&P Investments, a Tennessee general partnership, a partner of Rosemont, a Tennessee general partnership, the within named bargainor, and that he as such Partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the general partnership by himself as Partner.

Witness my hand and seal at office in Nashville, Tennessee, this 12 day of Dec, 2000, 1900.

Norma L. Spurlock
Notary Public



My Commission Expires:

1-24-2001

EXHIBIT A

Being a tract of land lying in Williamson County, Tennessee and being more particularly described as follows:

Beginning at a PK nail set at the intersection of the southerly right-of-way line of Pate Road, 50 feet in width, and the easterly right-of-way line of Arno Road, width varies; thence leaving the easterly right-of-way line of Arno Road with the southerly right-of-way line of Pate Road, South 82 deg 35 min 37 sec East, 782.05 feet to an iron rod set, at a corner common with the property of Tony Claiborne, et ux, as of record in Book 1359, page 282, at the Register's Office for Williamson County, Tennessee; thence leaving the southerly right-of-way line of Pate Road with the westerly property line of Tony Claiborne, et ux, South 09 deg. 25 min 45 sec West, 203.68 feet to an iron rod set; thence with the southerly property line of Tony Claiborn, et ux, South 82 deg 27 min 34 sec East, 568.64 feet to an existing iron rod in the westerly property line of Danny G. Scott, et ux, as of record in Deed Book 380, page 838, Register's Office for Williamson County, Tennessee, and at a corner common with the property of James Ladd, et ux, as of record in Deed Book 633, page 186, Register's Office for Williamson County, Tennessee; thence with the westerly property line of Danny G. Scott, et ux, South 07 deg 01 min 22 sec West, 1532.90 feet to an iron rod set in the westerly property line of Nelle B. Williams, of record in Deed Book 755, page 65, Register's Office for Williamson County, Tennessee, thence with the westerly property line of Nelle B. Williams, South 7 deg 17 min 51 sec West, 841.33 feet to an iron rod set; thence South 6 deg 51 min 54 sec West, 1010.02 feet to an iron rod set in the northerly property line of Sarah Bratton Lillard, as of record in Deed Book 55, page 399, Register's Office for Williamson County, Tennessee, said iron rod also being located in the northerly top of bank of the Harpeth River; thence with the northerly property line of Sarah Bratton Lillard, and the northerly top of bank of the Harpeth River, North 76 deg 46 min 03 sec West, 125.74 feet to an iron rod set; thence, North 60 deg 40 min 39 sec West, 130.42 feet to an iron rod set; thence North 53 deg 44 min 54 sec West, 108.48 feet to an iron rod set; thence North 49 deg 30 min 20 sec West 127.04 feet to an iron rod set; thence North 52 deg 26 min 08 sec West 143.53 feet to an iron rod set; thence North 48 deg 16 min 00 sec West, 214.17 feet to an iron rod set; thence North 61 deg 07 min 27 sec West., 140.62 feet to an iron rod set; thence North 74 deg 36 min 40 sec West, 136.20 feet to an iron rod set; thence North 82 deg 38 min 50 sec West, 71.81 feet to an iron rod set; thence North 80 deg 01 min 40 sec West, 145.17 feet to an iron rod set in the easterly right-of-way line of Arno Road; thence leaving the northerly top of bank of the Harpeth River, with the Easterly right-of-way line of Arno Road, with a curve to the right, along an arc length of 62.86 feet, the central angle of which is 01 deg 04 min 49 sec, the radius of which is 3334.04 feet, the chord of which is North 07 deg 53 min 56 sec East, 62.86 feet to an existing concrete monument; thence North 00 deg 55 min 26 sec East, 555.20 feet to an iron rod set; thence North 04 deg 54 min 18 sec East, 296.94 feet to an iron rod set; thence North 83 deg 45 min 47 sec West, 15.00 feet to an iron rod set; thence North 06 deg 18 min 48 sec East, 411.17 feet to an iron rod set; thence North 06 deg 19 min 48 sec East, 1076.96 feet to an iron rod set; thence North 05 deg 55 min 22 sec East 309.24 feet to an iron rod set; thence North 06 deg 23 min 01 sec East, 428.43 feet to the point

of beginning. Containing 4,224,472 square feet or 96.987 acres more or less according to a survey dated December 28, 1998, by R. Scott Cherry, Tennessee Lic. No. 1512, 622 West Iris, Nashville, TN 37204, File No. 98147BD2.

Being the same property conveyed to Rosemont, LLC, a Tennessee limited liability company by deed from Howard L. Tomlin and wife, Hilda M Tomlin, of record in Book 1780, page 324, Register's Office for Williamson County, Tennessee.

EXHIBIT B

Final Plat

MINIMUM SQUARE FOOTAGE:

- For Lots 101, 104, 107, 110, 113, 114, 120 through 130, and 135 the minimum shall be 3500 square feet for a single-level home and 4700 square feet for a two-level home.
- For Lots 115, 116, and 131 through 134 the minimum shall be 4500 square feet for a single-level home and 6000 square feet for a two-level home.
- For Lots 102, 103, 105, 106, 108, 109, 111, 112, and 117 through 119 the minimum shall be 6000 square feet for a single-level home and 7500 for a two-level home.

Note that the ARC shall have the singular right and authority, in its sole discretion, to alter or modify the actual square footage requirements for any Lot within the Development. In this regard, great attention shall be given to the quality of all interior millwork and the interior finishes throughout, as well as to the level of detail (historical and otherwise) invested in all exteriors. Notwithstanding the above, no home shall be constructed totaling less than 3500 square feet for a single level home and 4700 square feet for a two level home.

VOTES:

Votes shall be apportioned against a 100-vote standard, and allocated to the various Lots as follows:

6 votes to Lot 112;
 9 votes to Lot 111;
 4 votes each to Lots 102, 103, 105, 106, 108, 109, 117, 118, and 119;
 3 votes each to Lots 107, 110, 131, 132, 133, and 134;
 2 votes each to Lots 101, 113, 114, 115, 116, 120, 121, and 135;
 1½ votes each to Lots 122 through 130, and to Lot 104.

100 Votes Total

SPECIAL ASSESSMENTS:

Special Assessments shall be allocated as follows:

5% Lots 111,112;
 4% Lots 102, 103, 105, 106, 108, 109, 117, 118, and 119;
 3% Lots 107, 110, 131, 132, 133, and 134;
 2% Lots 101, 104, 113-116, 120-130, and 135.

100% Total

EXHIBIT D

**BYLAWS
OF
ROSEMONT HOMEOWNERS ASSOCIATION, INC.**

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ARTICLE 1: DEFINITIONS

The words defined in the Declaration of Covenants, Conditions and Restrictions for Rosemont recorded in Book ___, Page ___, Registers' Office for Williamson County, Tennessee (hereinafter referred to as the "Declaration"), shall have the same meaning in these Corporate Bylaws.

ARTICLE 2: OFFICES

2.1 Registered Office. The registered office of the corporation shall be at 1700 Nashville City Center, 511 Union Street, Nashville, Tennessee 37219, and the name of the registered agent of the corporation is Laurence M. Papel.

2.2 Other Offices. The corporation may also have offices at such other places both within and without the State of Tennessee as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE 3: MEMBERS AND MEMBERSHIP PRIVILEGES

3.1 Membership. Each Owner shall be a Member of the corporation and no other person or entity shall automatically be entitled to membership. The Developer reserves the right to afford membership privileges in the form of access to the common amenities to owners of other developments of Developer in the vicinity of Rosemont in consideration of the payment of fees equal to the Assessments payable by an Owner. No person entitled to membership privileges shall be entitled to vote in the Association and shall not be considered a "Member" for any other purpose. No Member shall be required to pay any consideration whatsoever solely for his membership in the corporation.

ARTICLE 4: MEETINGS OF MEMBERS

4.1 Place of Meetings. Meetings of the Members of the corporation may be held at a place to be determined by the Board of Directors within Davidson or Williamson County, Tennessee.

4.2 Annual Meeting. Unless otherwise specified in a written notice from the Board of Directors, an annual meeting of the Members of the corporation shall be held each year on the second Thursday of the third month following the close of the fiscal year if not a legal holiday, and if a legal holiday, then on the next secular day following, at 7:00 p.m. at which time the Members shall elect a Board of Directors, and shall transact such other business as may properly be brought before the meeting. Provided, however, the annual meeting must be held no later than forty-five (45) days from the original scheduled date. The first regular annual meeting of the Members may be held, subject to the terms hereof, on any date, at the option of the Board of Directors; provided, however, that the first meeting may (if necessary to comply with Federal Regulations) be held no later than

the earlier of the following events: (a) four months after all of the Lots have been sold by the Developer; or (b) three years following conveyance of the first Lot by the Developer.

4.3 Special Meeting. Special meetings of the Members, for any purpose or purposes, may be called by the president, the Board of Directors, or by Members having not less than five (5%) percent of the total percentage values of those votes entitled to be cast at such meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice of such meeting.

4.4 Notice. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the president, the secretary, or the officer or person calling the meeting, to each Member of the corporation entitled to vote at such meeting.

4.5 Quorum. The presence in person or by proxy of more than ten (10%) percent of the percentage values of those votes entitled to be cast at a meeting of the Members and at least ten percent (10%) of the percentage values of each class of Members shall constitute a quorum at all meetings of the Members for the transaction of business, provided that no less than at least five (5) separate Owners are present. If, however, the Members entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted at which might have been transacted at the meeting as originally notified.

4.6 Majority Vote; Withdrawal of Quorum. When a quorum is present at any meeting, the vote of the holders of more than fifty per cent (50%) of the percentage values of those votes entitled to be cast of Members qualified to vote and present in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Declaration, the Charter of the corporation or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

4.7 Method of Voting; Proxies. Each Member shall be entitled to a vote for each Lot owned by such Member. No Member, other than the Developer, shall be entitled to vote at any meeting of the corporation until such Member has presented evidence of ownership of a Lot in Rosemont to the Board of Directors. The vote of each Member may only be cast by such Member or by a proxy given by such Member to his duly authorized representative bearing a date not more than eleven months prior to such meeting. Such proxy shall be filed with the secretary of the corporation prior to or at the time of the meeting. If title to a Lot shall be in the name of two or more persons as Co-owners, all of such persons shall be Members of the corporation and are referred to herein as "Joint Co-owners". Any one of such Joint Co-owners may vote at any meeting of the

Members of the corporation and such vote shall be binding upon such other Joint Co-owners who are not present at such meeting until written notice to the contrary has been received by the Board of Directors in which case the unanimous vote of all such Joint Co-owners (in person or by proxy) shall be required to cast their vote as Members. If two or more of such Joint Co-owners are present at any meeting, their unanimous action shall also be present at any meeting, their unanimous action shall also be required to cast their vote as Members of the corporation.

4.8 **Cumulative Voting Denied.** Cumulative voting for Directors shall not be permitted.

ARTICLE 5: DIRECTORS

5.1 **Management.** The business and affairs of the corporation shall be managed by its Board of Directors who may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute, the Declaration, the Charter, or these Bylaws, directed or required to be exercised or done by the Members.

5.2 **Number; Qualifications; Election; Term.** The Board of Directors shall consist of three (3) Directors, each of whom shall be a Member of the Association or a partner or employee of the Developer, or its subsidiaries or affiliates.. The Members of the initial Board of Directors shall serve terms of two (2) years until the annual meeting of Members following such election in the designated term of office of such Directors. Each Director elected to replace an original Director upon the expiration of his term of office serve for a term of office ending with the third annual meeting of Members following his election or until his successor shall be elected and shall qualify. The Directors shall be appointed by the Developer until after the first of (a) the conveyance by the Developer by deed to Owners other than the Developer of Lots to which seventy-five percent (75%) of the percentage ownership in Rosemont or (b) three (3) years after the conveyance of the first Lot in Rosemont by the Developer. Directors shall serve without compensation.

5.3 **Removal; Change in Number; Vacancies.** Any Director may be removed either for or without cause, at any special meeting of the Members of the corporation by the affirmative vote of a majority of the Members present in person or by proxy at such meeting and entitled to vote, if notice of the intention to act upon such matter shall have been given in the notice calling such meeting. If any vacancy occurs in the Board of Directors, caused by death, resignation, retirement, disqualification or removal from office of any Director or otherwise, a successor or successors may be chosen at a special meeting of Members called for that purpose, and each successor Director so chosen shall be elected for the unexpired term of his predecessor in office.. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

5.4 **Place of Meetings.** The Directors of the corporation shall hold their meetings, both regular and special, within Davidson or Williamson County, Tennessee.

5.5 Annual Meetings. The annual meeting of each newly elected Board shall be held without further notice immediately following the annual meeting of Members of the corporation, and at the same place, unless by unanimous consent of the Directors then elected and serving such time or place shall be changed.

5.6 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

5.7 Special Meetings. Special meetings of the Board of Directors may be called by the president on a three (3) days notice to each Director, either personally or by mail or by telegram; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of two (2) Directors. Except as may be otherwise expressly provided by statute, the Charter or these Bylaws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice or waiver of notice.

5.8 Quorum. At all meetings of the Board of Directors the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors, when present at any meeting at which there is a quorum, shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

5.9 Committees Having Board Authority. The Board of Directors may, by resolution approved by vote or written consent by a majority of the whole Board, designate an Architectural Review Committee, a Nominating Committee for members of the Board of Directors and such other committees as deemed necessary to consist of two (2) or more of the Directors of the corporation. Any such committee, to the extent provided in said resolution, shall and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the corporation, except where action of the full Board of Directors is required by statute or the Charter.

5.10 Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the corporation may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by the president thereunto authorized by a like resolution of the Board of Directors. Membership on such committees may, but need not be, limited to Directors or Members of the corporation.

5.11 Procedure. All committees shall keep regular minutes of their proceedings and shall report the same to the Board when required.

5.12 Managing Agents. The Board of Directors may employ for the corporation a management agent at a compensation established by the Board of Directors and such management

agent shall perform such duties and services with respect to Rosemont Subdivision as the Board of Directors shall authorize, and the Board of Directors may delegate to such management agent such duties with respect to management, repair and maintenance of Rosemont Subdivision which are not by statute, the Declaration, the Charter or these Corporate Bylaws, required to be performed by or have the approval of the Board of Directors or the Members of the corporation.

ARTICLE 6: NOTICES

6.1 Method. Whenever notice is required to be given to any Director or Member, and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such Director or Member at such address as appears on the records of the corporation. Any notice required or permitted to be given by mail shall be deemed to be given at the time when the same shall be thus deposited in the United States mails as aforesaid.

6.2 Waiver. Whenever any notice is required to be given to any Member or Director of the corporation a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE 7: OFFICERS

7.1 Number; Titles. The officers of the corporation shall be elected by the Directors from among the members of the Board of Directors and shall be a president, a secretary and a treasurer. Any two (2) or more offices may be held by the same person except the offices of president and secretary shall not be held by the same person.

7.2 Election. The Board of Directors at its first meeting after each annual meeting of Members shall choose a president, a secretary, and a treasurer, all of whom shall be members of the Board.

7.3 Other Officers. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

7.4 Salaries. The salaries of all officers of the corporation, if any, shall be fixed by the Board of Directors.

7.5 Term of Office; Removal. Each officer of the corporation shall hold office until the annual meeting of the Board of Directors next following his election and thereafter until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any officer elected or appointed by the Board of Directors may be removed at any time

by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. If the office of any officer become vacant for any reason, the vacancy may be filled by the Board of Directors.

7.6 President. The president shall be the chief executive officer of the corporation; he shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the affairs of the corporation, shall see that all orders and resolutions of the Board are carried into effect, and shall perform such other duties as the Board of Directors shall prescribe.

7.7 Secretary. The secretary shall attend all sessions of the Board of Directors and all meetings of the Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for any committees when required. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or president, under whose supervision he shall be.

7.8 Treasurer. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the corporation, and shall perform such other duties as the Board of Directors may prescribe. If required by the Board of Directors, he shall give the corporation a bond in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.1 Reserves. There may be created by resolution of the Board of Directors such reserve or reserves as the Directors from time to time, in their discretion, think proper to provide for contingencies, or to repair or maintain any portion of Rosemont or for such other purposes as the Directors shall think beneficial to the corporation, and the Directors may modify or abolish any such reserve in the manner in which it was created.

8.2 Checks. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

8.3 Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

8.4 Seal. The corporate seal, if any, shall be in such form as may be determined by the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

8.5 Indemnification. The corporation shall indemnify any Director, officer, or former Director, officer, or employee of the corporation, against expenses actually and necessarily incurred by him, and any amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, officer, or employee (whether or not a Director, officer or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The corporation may also reimburse to any Directors, officer or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the Directors not involved in the matter of controversy, whether or not a quorum, that it was to the interests of the corporation that such settlement be made and that such Director, officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer, or employee may be entitled by law or under bylaw, agreement, vote of Members or otherwise.

8.6 Inconsistencies. In the event these Bylaws shall be inconsistent with the Declaration, then the Declaration shall be controlling.

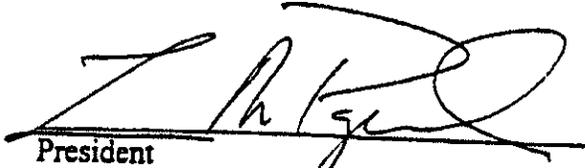
8.7 Amendment of Bylaws. These bylaws may not be altered, amended or repealed except by the affirmative vote of more than fifty (50) per cent of the percentage values of those votes entitled to be cast by Members qualified to vote. Notwithstanding the foregoing, for so long as the Developer maintains its weighted vote as described in paragraph 4.2 of the Declaration, any and all amendments to these Bylaws shall be subject to the veto of the Veteran's Administration or the Federal Housing Administration.

8.8 Table of Contents; Headings. The table of contents and headings used in these bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation.

CERTIFICATION

BK 2093 PG 590

I hereby certify that the foregoing Bylaws were adopted by the Members of Rosemont Homeowners Association, Inc. on the 12th day of October, 1999.



President

State of Tennessee, County of WILLIAMSON
Received for record the 02 day of
NOVEMBER 1999 at 3:50 PM. (RECH 34654)
Recorded in official records
Book 1921 pages 516- 559
Notebook: 63 Page 79
State Tax \$.00 Clerks Fee \$.00
Recordings \$178.00, Total \$ 178.00,
Register of Deeds SABIE WADE
Deputy Register SUE WAY

State of Tennessee, County of WILLIAMSON
Received for record the 20 day of
DECEMBER 2000 at 11:00 AM. (RECH 397203)
Recorded in official records
Book 2093 pages 541- 590
Notebook: 66 Page 98
State Tax \$.00 Clerks Fee \$.00,
Recordings \$202.00, Total \$ 202.00,
Register of Deeds SABIE WADE
Deputy Register DARLENE ELEY