

This instrument prepared by:
Landmark Realty Services
3310 West End Avenue, Suite 490
Nashville, TN 37203

BYLAWS
OF
CORNERSTONE HOMEOWNERS ASSOCIATION, INC.

BK/PG:3348/456-466

04042505

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|---------------------|-----------------|
| RESTRICTIONS | |
| 09/09/2004 | 09:44 AM |
| BATCH | 28124 |
| MFG TAX | 0.00 |
| TRN TAX | 0.00 |
| REG FEE | 55.00 |
| DP FEE | 2.00 |
| REG FEE | 0.00 |
| TOTAL | 57.00 |

STATE of TENNESSEE, WILLIAMSON COUNTY

SADIE WADE
REGISTER OF DEEDS

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|---|---|
| ARTICLE 1: DEFINITIONS..... | 1 |
| ARTICLE 2: OFFICES..... | 1 |
| 2.01. Registered Office..... | 1 |
| 2.02. Other Offices..... | 1 |
| ARTICLE 3: MEMBERS AND MEMBERSHIP PRIVILEGES..... | 1 |
| 3.01. Membership..... | 1 |
| ARTICLE 4: MEETING OF MEMBERS..... | 1 |
| 4.01. Place of Meetings..... | 1 |
| 4.02. Annual Meeting..... | 1 |
| 4.03. Special Meeting..... | 2 |
| 4.04. Notice..... | 2 |
| 4.05. Quorum..... | 2 |
| 4.06. Majority Vote; Withdrawal of Quorum..... | 2 |
| 4.07. Method of Voting; Proxies..... | 2 |
| 4.08. Cumulative Voting Denied..... | 3 |
| ARTICLE 5: DIRECTORS..... | 3 |
| 5.01. Management..... | 3 |
| 5.02. Number; Qualifications; Election; Term..... | 3 |
| 5.03. Removal; Change in Number; Vacancies..... | 3 |
| 5.04. Place of Meetings..... | 4 |
| 5.05. Annual Meeting..... | 4 |
| 5.06. Regular Meeting..... | 4 |
| 5.07. Special Meeting..... | 4 |
| 5.08. Quorum..... | 4 |
| 5.09. Committees Having Board Authority..... | 4 |
| 5.10. Other Committees..... | 4 |
| 5.11. Procedure..... | 5 |
| 5.12. Managing Agents..... | 5 |
| ARTICLE 6: NOTICES..... | 5 |
| 6.01. Method..... | 5 |
| 6.02. Waiver..... | 5 |
| ARTICLE 7: OFFICERS..... | 5 |
| 7.01. Number; Titles..... | 5 |
| 7.02. Election..... | 5 |
| 7.03. Other Offices..... | 5 |
| 7.04. Salaries..... | 6 |
| 7.05. Term of Office; Removal..... | 6 |
| 7.06. President..... | 6 |
| 7.07. Secretary..... | 6 |
| 7.08. Treasurer..... | 6 |

| | |
|--|---|
| ARTICLE 8: MISCELLANEOUS PROVISIONS..... | 7 |
| 8.01. Reserves..... | 7 |
| 8.02. Checks..... | 7 |
| 8.03. Fiscal Year..... | 7 |
| 8.04. Seal..... | 7 |
| 8.05. Indemnification..... | 7 |
| 8.06. Inconsistencies..... | 7 |
| 8.07. Amendment of Bylaws..... | 7 |
| 8.08. Table of Contents; Headings..... | 8 |

ARTICLE 1: DEFINITIONS

The words defined in the Declaration of Easements, Covenants, Conditions and Restrictions for Cornerstone recorded in Book 348 page 428 of the Register's Office for Williamson County, Tennessee (hereinafter referred to as the "Declaration") shall have the same meaning in these Corporate Bylaws.

ARTICLE 2: OFFICES

2.01. Registered Offices. The principal office of the corporation shall be at 3310 West End Avenue, Suite 490, Nashville, TN 37203, and the name of the registered agent of the corporation is Joseph V. Ferrelli, 102 Woodmont Blvd., Suite 205, Nashville, TN 37205.

2.02. 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

3.01. Membership. Each Owner shall be a Member of the corporation and no other person or entity shall automatically be entitled to membership. No Member shall be required to pay any consideration whatsoever solely for his membership in the corporation.

ARTICLE 4: MEETINGS OF MEMBERS

4.01. Place of Meetings. Meetings of the Members of the corporation may be held at a place to be determined by the Board of Directors.

4.02. 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.

4.03. 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 (50%) 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.

4.04. 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 thirty (30) 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.

4.05. Quorum. The presence of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. This procedure may be continued with the quorum required to be reduced to one-half of the required quorum at the preceding meeting until a quorum is present. However, in no event may the required quorum be less than 10% of all votes entitled to vote at the meeting. No such subsequent meeting shall be held more than ninety (90) days following the preceding meeting. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified

4.06. 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.

4.07. 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 Cornerstone 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 required to cast their vote as Members of the corporation.

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

ARTICLE 5: DIRECTORS

5.01. **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.

5.02. **Number; Qualifications; Election; Term.** The Board of Directors shall consist of two (2) 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 shall 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 the conveyance by the Developer by deed to Owners other than the Developer of Lots to seventy-five percent (75%) of the percentage ownership in Cornerstone or (b) three (3) years. Directors shall serve without compensation.

5.03. **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.

5.04. Place of Meetings. The Directors of the corporation shall hold their meetings, both regular and special at a place to be determined by the Board.

5.05. 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.

5.06. 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 and in accordance with the Declaration.

5.07. 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, the Declaration 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.

5.08. 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 there may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

5.09. 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 Control Committee, a Nominating Committee for members of the Board of Directors and such other committees as deemed necessary. 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 the Cornerstone 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 the Cornerstone 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

6.01. 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.

6.02. 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

7.01. 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.

7.02. 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.

7.03. 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.

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

7.05. 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 or agent 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.

7.06. 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.

7.07. 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.

7.08. 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

8.01. 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 Cornerstone 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.

8.02. 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.

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

8.04. 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.

8.05. Indemnification. The corporation shall indemnify any Director, officer, or employee, 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.

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

8.07. Amendment of Bylaws. These bylaws may not be altered, amended or repealed except by the affirmative vote of more than fifty (50) percent of the percentage values of those votes entitled to be cast by Members qualified to vote.

8.08. **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

I hereby certify that the foregoing Bylaws were adopted by the Members of Cornerstone Home Owners Association, Inc. on the 8TH day of SEPTEMBER 2002.⁴
JAF

Joseph V. Fennell
Registered Agent

This instrument prepared by: Cornerstone HOA
Board of Directors
and Architectural Committee Cornerstone HOA
Franklin, Tennessee 37067

BK/PG:5027/941-953

10009383

| RESTRICTIONS | |
|--------------|----------|
| 03/26/2010 | 03:57 PM |
| BATCH | 174332 |
| MTG TAX | 0.00 |
| TRN TAX | 0.00 |
| REC FEE | 65.00 |
| DP FEE | 2.00 |
| ARC FEE | 0.00 |
| TOTAL | 67.00 |

STATE OF TENNESSEE, WILLIAMSON COUNTY
SADIE WADE
REGISTER OF DEEDS

Pick Up

**FIRST AMENDMENT TO THE DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS AND RESTRICTIONS**

FOR CORNERSTONE HOMEOWNERS ASSOCIATION, INC.

OF RECORD BOOK 3348 PAGE 428

REGISTER'S OFFICE FOR WILLIAMSON COUNTY, TN

THIS FIRST AMENDMENT, executed and made effective this 15 day of March 2010 by an affirmative vote of more than 75% of the lot Owners, in the Cornerstone Homeowners Association, Inc. (the Owners) pursuant to Article VII, Section 3 of the Declarations of Easements, Covenants, Conditions and Restrictions for Cornerstone recorded in Book _____, page _____, in the Register's Office for Williamson County Tennessee, hereby amends the Declarations of Easements, Covenants, Conditions and Restrictions for Cornerstone as follows:

Article IV to read:

ARTICLE IV

ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS

Section 1. Single Family Residential Construction. No building or other structure shall be erected, altered or permitted to remain on any Lot other than one (1) single family residential dwelling not to exceed two and one-half (2-1/2) stories in height which may have a private garage for not more than three (3) cars which structures shall not exceed the main dwelling in height. Provided, however, the dwelling may include three (3) stories if one of the stories is a basement.

Section 2. Approval of Plans.

(a) No construction, reconstruction, remodeling, alteration (including any changes in color or design), or addition of or to any structure, building, fence, wall, drive, or improvement of any nature shall be commenced on any Lot without obtaining prior written approval of an Architectural Committee as to the location, plans, and specifications therefore. Members (three (3) members are required as a minimum) of such Architectural Committee shall be appointed by the Board of Directors of the Association. As a prerequisite to consideration for approval, and prior to the commencement of the contemplated work, a Lot Owner shall submit to the Architectural Committee such plans, specifications, and other information concerning the proposed improvements as the Architectural Committee may require from time to time as a condition for its review and approval thereof accompanied with such fee as the Association may require, and shall submit the same to the Architectural Committee for approval. All plans of proposed residences to be constructed in the Subdivision and any remodeling, alteration or addition shall conform to the standards set forth in subparagraph (b) below and the restrictions and provisions contained in this Declaration. The Architectural Committee shall review and approve such plans and may withhold its approval for any reason, including purely aesthetic reasons. Upon approval being given, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans, otherwise the approval shall be void. A reasonable fee may be charged by the Association to defray its costs incurred in considering and acting upon such proposed plans and specifications.

(b) Residences to be constructed within the Subdivision shall be sufficiently compatible with existing architectural styles that predominate in the development to assure a pleasing overall appearance and maintain its image as a high quality, single family, residential neighborhood. Residences shall comply with all applicable ordinances and regulations, including residential design standards, established by the City of Franklin Planning Commission (and/or any other applicable governing authority). Existing structures will be considered but do not, as such, constitute precedent nor assure approval.

(c) The Architectural Committee, the Association and the individual members thereof shall not be liable for any act or omission in performing or purporting to perform the functions delegated hereunder. The Architectural Committee shall use their best efforts to indicate approval or disapproval of any plans submitted within thirty (30) days after the receipt of the required documents. Approval of the Architectural Committee is required before any work can begin. Approval or disapproval by Architectural Committee shall not be deemed to constitute any warranty or representation by it including, without limitation, any warranty or representation as to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations. Anything contained in this Section 2, or elsewhere in this Declaration to the contrary notwithstanding, the Association, and the Architectural Committee are hereby authorized and empowered, at their sole and absolute discretion, to make and permit reasonable modifications or deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Lot and of the size and location of any such building or improvement when, in their sole and final judgment, such modifications and deviations in such improvements will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Property and the improvements as a whole; provided, however, such modifications and deviations must remain within all applicable ordinances and regulations established by the City of Franklin Planning Commission, including residential design standards, (and/or any other applicable governing authority).

The Architectural Committee may require the submission to it of such documents and items, including as examples, but without limitation, written requests for and description of the variances requested, plans, specifications, plot plans and samples of material(s), as either of them shall deem appropriate, in connection with its consideration of a request for a variance. If the Architectural Committee shall approve such request for a variance, then the request for the variance will be sent to the Board of Directors for final approval. If the Board of Directors shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing its decision to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitations, the type of alternative materials to be permitted, and alternate fence height approved), and signed by the Association. Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (i) written notice of disapproval from the Association or (ii) failure by the Association to respond to the request for variance. In the event the Association or any successor to the authority thereof shall not then be functioning, no variances from the covenants herein contained shall be permitted, it being the intention of the Association that no variances be available except at its discretion. The Association shall have the authority to approve any variance except as expressly provided in this Declaration.

In the event of default on the part of the Owner of any Lot in observing the above requirements or any of them, each default continuing after thirty (30) days of the Final Written Notice thereof, the Association may, subject to approval of its Board of Directors, enter upon said Lot, restore the same, necessary to secure compliance with these restrictions. In so doing, the Association or its agents shall not be subject to any liability for trespass or otherwise. All costs incurred in any such restoration shall be charged against the Owner of such Lot as the personal obligation of such owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as a maintenance assessment.

(d) An Architectural Committee decision may be appealed by the requestor or his immediate neighbors. Appeals will be brought before a special meeting of the Board of Directors. All concerned parties will be given the opportunity to express their objections to the Board of Directors. The Architectural Committee will also explain their decision. The decision of the Board of Directors will be final.

Section 3. Structural Compliance. All structures shall be built in substantial compliance with the plans and specifications therefore, approved by Architectural Committee or the Association as provided in Section 2 above.

Section 4. Improvement and Setback Restrictions. No building or structure, or any part thereof, shall be located on any Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines required by the city of Franklin or any other applicable governing authority and as may be shown on the recorded plats. No encroachment upon any utility or drainage easements reserved on the Plat except for approved fences shall be authorized or permitted.

Section 5. Re-subdivision of Lots. No Lot shall be re-subdivided, nor shall any building be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the Association, as well as any governmental authority having jurisdiction.

Section 6. Walls, Fences and Hedges. No wall shall be erected or maintained nearer to the front lot line than the rear building corners on such Lot, nor on corner lots nearer to the side Lot line than the rear building corners parallel to the side street. No side or rear fence, wall or hedge shall be more than six (6) feet in height. Prior to commencing the addition or modification of any wall or fence, plans for such improvement shall be submitted to the Architectural Committee as provided in Article IV, Section 2. Any wall, fence or hedge erected

on a Lot shall be maintained by the Owner thereof. All fencing shall be constructed only of such materials and erected only on such Lots and in such manner as shall be allowed by the City of Franklin except that no chain-link fencing shall be permitted. The planting of hedges, shrubbery or evergreens in lieu of a fence, and extending to the front or sides of any Lot is permitted, provided such planting shall not be maintained at a height in excess of forty-two (42) inches. All fences, walls, and hedges are subject to the provisions of Section 25 relating to visual obstruction.

Section 7. Roofing Material. The roof of any building (including any garage) shall be constructed or covered with asphalt or composition type shingles. Any other type of roofing material shall be permitted only in the sole discretion of the Architectural Committee upon written request.

Section 8. Swimming Pools. Swimming pools shall be located at the rear of the residence. All swimming pools or spas shall have a perimeter enclosure, the plans for which, including landscaping plans, must be approved by the Architectural Committee. No above ground swimming pools shall be permitted unless enclosed within an approved privacy fence.

Section 9. Storage Tanks and refuse Disposal. No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance, except for refuse produced through normal daily living and of a nature which is satisfactory for pick-up by the Department of Public Works or its equivalent. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Lot. All equipment, coolers, and garbage cans shall be placed either in the garage or a location that is least visible from the street. City of Franklin has regulations regarding length of time trash cans may be out for trash collection – please refer to City of Franklin codes; at the time of this writing those rules are ‘no earlier than 7pm the night before scheduled collection day and left no later than 7pm on collection day.’

Section 10. Clothes Lines. Outside clotheslines shall not be permitted.

Section 11. Signs and Advertisements. No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed in view on any Lot or any improvement thereon without the prior written consent of the Association. This requirement shall not preclude the placement by Owners of “For Sale” signs in the front and/or side of individual residences of such size, character, and number as shall from time to time be approved by the Association but in no event larger than 2 feet wide and 3 feet high. This requirement shall also not preclude the placement by Owners of Alarm signs in the front, back, or side so long as there are no more than two (2) free standing signs and they are not bigger than 1 foot wide and 1 foot high. Small stickers may also be placed in the windows around the residence. The Association shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 12. Use of Temporary Structures. Except as specifically provided herein, no structure of a temporary character, mobile home, camper, trailer, basement, tent, shack, tool shed, storage shed, garage, barn or other outbuilding shall be erected. Other structures of a permanent or semi-permanent nature may be approved from time to time in accordance with the provisions of this Article IV.

Section 13. Parking and storage of Automobiles, Boats, Trailers and Other Vehicles. No trailers, boat trailers, go carts, golf carts, travel trailers, inoperative automobiles or campers shall be temporarily, semi-permanently or permanently stored in the public street right-of-way or forward of the front building line. Storage of such items and vehicles must be screened from public view, either within the garage or behind a fence that screens such vehicle from public view, unless otherwise approved in writing by the Architectural Committee in accordance with Section 2 above. No tractor-trailers, buses, or other large commercial vehicles shall be parked

on driveways or in streets within the Property for periods of time exceeding six (6) hours or for more than twelve (12) hours in any calendar month. No on-street parking of cars for periods over 24 hours in any calendar week. Any request for a variance of these restrictions shall be requested in writing to the Board of Directors. The Board of Directors shall have the sole authority to approve or disapprove such variance.

Section 14. Outside Lighting. Outside lights at eaves and door entrances shall be permitted, but no exterior flashing or high-intensity lights on the exterior of any building shall be permitted, except as may be allowed with the prior written approval of the Association. Tasteful accent lighting are encouraged and security lighting including spotlights and flood lights which do not create a nuisance for other Lot Owners are permitted. The Board of Directors reserves the right to require any Lot Owner to deactivate or remove any light which the Board of Directors deems to be unattractive or a nuisance to other Lot Owners. Tasteful holiday decorative lights are permitted from Thanksgiving until January 15 subject to any rules established by the Association regarding the types and extent of such lighting.

Section 15. Maximum Height of Antennae and Satellite Dishes. Unless approved by Architectural Committee, no electronic antenna or device of any type shall be erected, constructed, placed or permitted to remain on any Lot, house or building. Direct Broadcast Satellite dish antenna will be permitted. No Satellite dish antennas greater than one (1) meter in diameter shall be installed on any home or Lot and all dish antennas shall be placed in the least visible location possible, consistent with receiving an adequate satellite signal. Architectural Committee approval of the location of a dish antenna is required.

Section 16. Window Units. All supplements to the central air conditioning system must be used, erected, placed or maintained to the rear of the main residential structure. No window or wall type air conditioning units shall be permitted to be seen from the street view of any Lot and all such units shall be installed flush with the exterior wall surface.

Section 17. Recreational Equipment. All playground and recreational equipment must be used, erected, placed or maintained to the rear of all Lots. No playground or recreational equipment will have a deck structure that exceeds seven (7) feet in height and no point may exceed twelve (12) feet in height. Basketball goals shall be allowed in driveways if placed to the rear or side of the residence.

Section 18. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 19. 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 or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, down spouts, building surfaces, patios, walkways, driveways, and other exterior improvements. The Owner or Occupant of each Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and all trees and shrubbery pruned and cut. In addition, each Lot Owner shall be responsible for maintaining the right of way between such Lot Owner's Lot and the curb of the street. No Lot shall be used for storage of material and equipment, except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law) of any such materials is prohibited. In the event of default on the part of the Owner or Occupant of any Lot in observing the above requirements or any of them, each default continuing after ten (10) days' written notice thereof, the Association may, subject to approval of its Board of Directors, enter upon said Lot, repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions

and to place said Lot in a neat, attractive healthful and sanitary condition. In so doing, the Association or its agents shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of such Lot as the personal obligation of such owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as a maintenance assessment. Any Occupant of such Lot shall be jointly and severally liable with the Owner of the payment of such costs.

The Association shall contract with one (1) or more landscaping services to provide grass cutting, lawn maintenance, proper care for all trees, shrubbery and other landscaping, and other necessary maintenance services for the Common Areas, provision for which shall be made in the monthly or annual assessments.

The Owners of Lots 34, 35, 40 and 41 as identified on the Plat shall be jointly and equally responsible for the maintenance of the Ingress Egress Utility Easement located on their Lots. Similarly, Owners of Lots 36, 37, 38 and 39 as identified on the Plat shall be jointly and equally responsible for the maintenance of the Ingress Egress Utility Easement located on their Lots. Any disagreements in the maintenance of these easements, including but not limited to the timing and costs of repairs, shall be resolved by the Association.

Section 20. Damage Destruction or Maintenance. In the event of damage or destruction to any structure located on the Property, the respective Owner thereof agrees as follows:

(a) In the event of total destruction, the Owner shall promptly clear the Lot of debris and leave the same in a neat and orderly condition. Within sixty (60) days of any insurance settlement, the Owner must commence to rebuild and reconstruct the structure. Any such rebuilding and reconstruction shall be accomplished in conformity with the plans and specifications of the original structure so destroyed, subject to any changes or modifications as approved by the Architectural Committee, in accordance this Article IV hereof.

(b) In the case of partial damage or destruction, the Owner shall as promptly as an insurance adjustment may be made, cause the damage or destruction to be repaired and restored in a first class condition in accordance with the plans and specifications of the original structure and in conformity with its original exterior painting and décor. Any change or alteration must be approved by the Architectural Committee, in accordance with Article IV hereof. In no event shall any damaged structure be left unrepaired and unrestored for in excess of sixty (60) days from the date of the insurance adjustment.

(c) If the correction of a maintenance or repair problem incurred on one Lot necessitates construction work or access on another Lot, both Owners shall have an easement on the Property of the other for the purpose of this construction. Each party shall contribute to the cost of restoration thereof equally, unless such damage was caused by the fault of an Owner, in which event the Owners shall allocate the cost of restoration in proportion to the relative fault of the parties. The cost allocation shall be determined by the Board of Directors.

Section 21. Use of Premises. Each Lot shown on the Plat shall be used for family residential purposes and not otherwise.

Section 22. Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets such as dogs and cats which may be kept thereon in reasonable numbers as pets for the sole pleasure of the Owner or Occupant, but not for any commercial use or purpose. No animal shall be allowed to roam freely in the Subdivision and all animals must be either kept in a secure enclosure to be located on the rear of the Lot or in the home. All animals shall be maintained on a leash and under control at all times when not otherwise secured in the required enclosure or in the home. No Owner or Occupant shall be allowed to keep on any Lot or the Common Area any animal which

causes excessive noise (including without limitation barking), odor or constitutes a danger to other persons or otherwise constitutes a nuisance. The Board of Directors of the Association shall be the sole judge using their sole discretion as to whether any animal violates the provisions hereof.

Section 23. Nuisances and Unsightly Materials. Each Owner or Occupant shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to others. No noxious, offensive, or illegal activity shall be carried on upon any Lot. No motorcycle, motorbike, motor scooter, go-cart, or any other unlicensed motorized vehicle shall be permitted to be operated on or in the Common Areas. No Lot shall be used, in whole or in part, for the storage of rubbish of any character whatsoever, nor shall any substance, thing, or material be kept upon any Lot which will emit foul or noxious odors or which will cause any noise that will or might disturb the peace and quiet of the Owners or Occupants of surrounding Lots or property. The foregoing shall not be construed to prohibit the temporary deposits of trash and other debris for pick-up by garbage and trash removal service units. The Board of Directors of the Association shall be the sole judge using its sole discretion in determining any violation of any provision contained in this Declaration.

Section 24. Hobbies and Activities. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the consent of the Association. The assembly and disassembly of motor vehicles or other mechanical devices must be done inside the residence or garage.

Section 25. Visual Obstruction at the Intersection of Public Streets. No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the surface of the streets shall be placed, planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of the street involved and a line running from curb line to curb line at points twenty-five (25) feet from the intersection of the street curb lines. The same limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway.

Section 26. Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section 27. Roads. It shall be obligatory upon all owners of the Lots in this Subdivision to consult with the City of Franklin, Tennessee ("Franklin") or any other applicable governing authority with jurisdiction over said matters, before any driveways, culverts, other structures or grading are constructed within the limits of any dedicated roadway, and such placement or construction shall be done in accordance with the requirements of Franklin applying to the roads within the Subdivision in order that the roads or streets within the Subdivision which would be affected by such placement or construction may not be disqualified for acceptance by Franklin into the public road system.

Section 28. Easement for Roads. The right is expressly reserve to the Owners, their representatives, heirs, successors and assigns, to construct all streets, roads, alleys, or other public ways as now, or hereafter may be shown on the Plat(s), at such grades or elevation as they, in their sole discretion, may deem proper, and, for the purpose of constructing such streets, roads, alleys or public ways, they additionally, shall have an easement, not exceeding ten (10) feet in width, upon and along each adjoining Lot, for the construction of properly banked slopes in accordance with the specifications of the government body or agency having jurisdiction over the construction of public roads; and no owner of any Lot shall have any right of action or claim for damages against anyone on account of the grade of elevation at which

such road, street, alley or public way may hereafter be constructed, or on account of the bank slopes constructed within the limits of the said ten (10) foot easement.

Section 29. Minimum Square Footages and Brick Requirements. The minimum square footage for residences constructed on the Lots shall be 2,500 square feet. For purposes of calculating square footage contained in a residence, the square footage calculation shall include only heated, finished living space. All homes must be substantially all brick, stone or other masonry on the exterior with the exception of gables, eaves, and stone accents.

Section 30. Maintenance and Use of Common Areas and Amenities.

(a) The Common Areas and any and all amenities thereon shall be for the recreational use and enjoyment of the Owners and their permitted guests and invitees. Except as may otherwise be delegated to the Owners by the Association, the Association shall be responsible for the ongoing maintenance of all Common Areas and all improvements thereon in a reasonable order and condition. The Association may publish regulations from time to time governing the use of all of the Common Areas including all amenities located thereon. Such regulations may be enforced in the same manner as the provisions of this Declaration. Notwithstanding anything to the contrary contained herein, the Association shall not be dissolved, nor shall it dispose of any Common Areas or facilities, by sale or otherwise, except to an organization conceived and established to own and maintain the Common Areas and the conditions of a transfer shall conform to the approved site plan and any requirements of all applicable zoning and planning authorities.

(b) Common open space shall be suitably improved for its intended uses, but common open space containing natural features worthy of preservation shall be left undisturbed. The buildings, structures, and improvements which are permitted in common open space shall be appropriate to the uses which are authorized for common open space and shall conserve and enhance the amenities with regard to its topography and unimproved condition.

Section 31. Erosion Control and Lot Maintenance. During and throughout construction, as well as after completion of a residence, Lot Owner shall take such action as may be reasonably required: (a) to control, inhibit, and prevent land erosion and the sedimentation of streams and ponds from erosion, and (b) to keep such site in a neat and sightly condition free from trash and debris. If an Owner does not maintain a site as herein provided, then the Association may, after reasonable notice to the Owner, have the required work done and the cost thus incurred shall be paid by the Owner upon demand. The Association shall have the right of entry upon each Lot as necessary to perform such work or cause such work to be performed.

Section 31a. Retaining Walls. Architectural Committee approved retaining walls may be installed to prohibit the erosion of the basic ground elevation where necessary.

Section 32. Storage of Building Materials. No lumber, brick, stone, block or other building materials shall be stored on any Lot except for building purposes for that particular Lot, and then only for such time as is reasonably necessary for a diligent completion of the project.

Section 33. Curb Cuts and Damage. Any Builder or owner who makes a curb cut or damages any curbing, sidewalk, roads or Common Areas shall be responsible for repairing same at his sole expense and at the direction and to the satisfaction of the Association..

Section 34. Excavation and Fill. No Owner or Builder shall excavate or extract earth from any Lot for any business or commercial purpose. Proposed elevation changes on a Lot shall be included with the plan submitted to the Architectural Committee prior to commencement of construction. Changes which adversely affect the surface grade of adjacent or surrounding Lots or the storm water drainage plan will not be permitted. Substantial quantities of fill brought to any Lot during construction shall be subject to prior approval by the Association for stability and effect on adjacent Lots.

Section 35. Driveways and Garages. All driveways and parking areas shall be paved with paving block or decorative concrete. Alleyways located at the rear of the Lot and designated as ingress and egress easements on the Plat may be paved with asphalt. It shall be permitted on all Lots with connecting driveway turnarounds for an adjoining Lot Owner to use their vehicle on a connecting Lot Owner's driveway turnaround for ingress and egress to and from their garage. Garage doors shall remain closed whenever reasonably possible.

Section 36. Sidewalks. The Cornerstone Subdivision Plat shows that the sidewalks are located in an Access Easement. This means that the sidewalks are public sidewalks and will be maintained by the City of Franklin.

Section 37. Landscaping and Trees. The front elevation of each residence in the Subdivision shall be landscaped with shrubs, bushes, trees or other plantings so as to provide cover at grade across the front of the home. In addition, on each Lot the Builder and/or Owner shall install sufficient tree plantings to meet the city of Franklin's design standards. Street trees planted in the street right of way adjacent to the Lot may be used to fulfill this requirement. The Owner shall be responsible for watering the street trees located in the street right of way adjoining their lot. The Association shall be responsible for maintaining and replacing any dead, damaged, or diseased street trees located in the street right of way adjoining their Lot, unless damaged by Lot Owner. The Association shall be responsible for maintaining and replacing any dead, damaged or diseased street trees located in the street right of way adjoining any Common Areas, unless damaged by Lot Owner. The Association shall have the right to go on any Lot in order to replace trees or to "limb up" or trim any such street trees. Each Lot Owner shall be responsible for maintaining shrubbery or other plantings on their Lot and keeping same properly trimmed and shall be responsible for replacing any such shrubbery or plantings if any such plantings die.

Section 38. Front Porches. No front porch on any residence shall be enclosed in any way either screened in or glassed in or otherwise walled in. Porches may have railings of painted wood, metal, or original material. Front porches, both open and covered may encroach within the minimum front building setback up to five feet as long as the government agencies in Williamson County or other applicable governing authority approves such encroachment.

Section 39. Rules and Regulations. The Association shall have the right to pass rules and regulations governing additional aspects of and imposing additional restrictions on the use and maintenance of the Lots and use of and maintenance of Common Areas. Said rules shall be approved by at least sixty (60) percent of the Lot Owners before they become effective. Said rules shall not change any of the restrictions or requirements of this ARTICLE. Said rules and regulations may include the right to make additional special assessments against specific lot owners as a result of a lot Owner's (or any agent or invitee of a Lot Owner) violation of any of the terms of this Declaration or of any rules or regulations promulgated hereunder. In addition, the rules and regulations may provide that Lot Owners shall be responsible for maintenance of limited portions of Common Areas immediately adjoining their lot. Any and all assessments made pursuant to the rules and regulations shall be deemed assessments properly made pursuant to the terms of this Declaration and may be collected by the Association in accordance with the provisions as contained herein. In addition, the Rules and Regulations may include (without limitation) restrictions and rules regarding any and all aspects of the use of the Lots and residences thereon as well as the common areas regarding any matter with the Association believes should be regulated in order to preserve the desirability and attractiveness and/or provide for maintenance of the Development if the Association reasonably determines that such rules and regulations shall benefit the overall Development. Specifically, and without limiting any additional matters which may be addressed in the Rules and regulations, the Rules and regulations may regulate lawn art, lighting, neon signs, interior window coverings that are visible from the street, and holiday decorations.

Section 40. Sustainability. Sustainability is becoming part of our collective future. To this end, the Architectural Committee shall consider requests for sustainability equipment to be placed on or near a residence. This equipment shall include (but not be limited to) solar panels, solar hot water heaters, composting, rainwater collection, and fuel cells. This equipment shall not include wind generators.

THIS AMENDMENT TO THE DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS FOR CORNERSTONE shall in no way be construed to amend, alter, or revise any other provision of the Declarations of Easements, Covenants, Conditions and Restrictions for Cornerstone.

THE CORNERSTONE HOMEOWNERS ASSOCIATION, INC

By: Karin P. Wabley
Title: President

Lou Ward-Smith
HOA Secretary

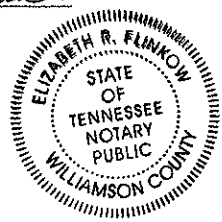
STATE OF TENNESSEE}
COUNTY OF WILLIAMSON}

Before me, Elizabeth R. Flankow of the state and county mentioned, personally appeared Karen Wabley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be President of the Cornerstone Homeowners' Association, Inc., the within named bargainer, a corporation, and that she as such President, executed the forgoing instrument for the purpose therein contained, by signing the name of the corporation by herself as Karen Wabley.

Witness my hand and seal, at office in Williamson Co. this 15th day of March, 2010.


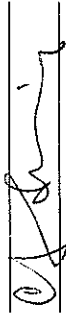
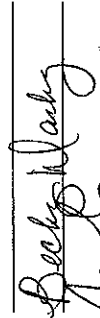





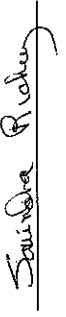

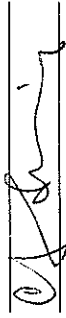
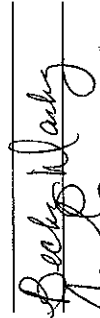



Elizabeth R. Flankow
Notary Public





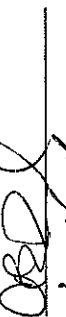

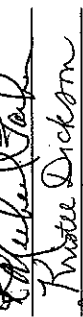

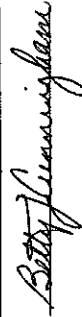

My Commission Expires Apr. 24. 2013



| Vote Tally | Yes | No | Signature | Printed name | Date | Street Address |
|---|-----|----|-----------|------------------|-----------|------------------------|
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | STEPHEN O'BRIEN | 2/4/10 | 101 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Jo Clark | 3-6-10 | 103 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Jesse W. Barnes | 3/4/10 | 105 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO | | | | RUTH FORD | 3/4/10 | 107 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | MICHAEL HARRIS | 3/11/10 | 109 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Walter Wadby | 3/4/10 | 111 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Alice Wheatley | 3/11/2010 | 113 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | ROBERT S. DUNCAN | 3/12/2010 | 115 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | JOHN SAXTON | 3/4/10 | 117 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Mitchell Metzke | 3/4/10 | 119 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | Scott Kelly | 3/6/10 | 121 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO | | | | James Sausoukas | 3/6/10 | 123 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | James Sausoukas | 3/6/10 | 125 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO | | | | James Sausoukas | 3/6/10 | 127 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO | | | | James Sausoukas | 3/6/10 | 131 Cornerstone Circle |
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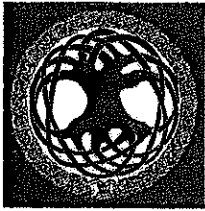
Voting results for proposal presented at Cornerstone Annual HOA meeting on 3/4/2010 for changes to Article IV of Cornerstone HOA CCRs

| | Signature | Printed name | Date | Street Address |
|---|--|-------------------|---------|------------------------|
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | EUGENET MCCABE | 3-11-10 | 135 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | Chang Sug Shin | | 137 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Becky Darby | 3-4-10 | 139 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | JAMES LAMIRAS | 3-6-10 | 141 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | DOUGLAS RYAN | 3-4-10 | 143 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | KENNETH D PERAY | 3-4-10 | 145 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | KRISTI S. ETINGER | 3-4-10 | 147 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Leslie Bickel | 3-6-10 | 151 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | Sandra Riebel | | 153 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | EUGENET MCCABE | | 155 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | Chang Sug Shin | | 157 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Becky Darby | | 159 Cornerstone Circle |
| <input type="checkbox"/> Yes <input type="checkbox"/> NO |  | JAMES LAMIRAS | | 161 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | DOUGLAS RYAN | | 163 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | KENNETH D PERAY | | 165 Cornerstone Circle |

| | Signature | Printed name | Date | Street Address |
|---|--|--------------------|---------|---------------------------------|
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Adam Terry | 3/4/10 | 110 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Sylvia Wacker | 3/9/10 | 122 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Chad Hutchison | 3/4/10 | 142 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | BARBARA GANT | 3/4/10 | 156 Cornerstone Circle |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Ben Reed | 3/13/10 | 200 Cornerstone Circle Lane 505 |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Brett B Smith | 3/4/10 | 201 Cornerstone Circle Lane 505 |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | R. NICHOLAS FARRER | 3/4/10 | 202 Cornerstone Circle Lane 505 |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Kristee Dickson | 3/8/10 | 203 Cornerstone Circle Lane 505 |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | S.W. Harlow | 3/4/10 | 400 Cornerstone Way |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO |  | Betty J Cunningham | 3/9/10 | 402 Cornerstone Way |

This instrument prepared by Cornerstone HOA, Board of Directors and Architectural Committee Cornerstone HOA FRANKLIN, TN

Pick Up



CORNERSTONE

March 15, 2010

By vote of the Board of Directors of the Cornerstone Homeowners Association the *Cornerstone Homeowner's Association Architectural Review Committee Guidelines* filed on 12/04/2006 are repealed. BOOK 419, page 706

Signature

Lisa Ward-Smith HOA Secretary

Karen R. Wabby

Printed Name

President, Cornerstone Homeowners Association

Title

BK/PG: 5027/940-940

10009382

March 15, 2010

Date

| | |
|---------------------|--------|
| RESTRICTIONS | |
| 03/26/2010 03:57 PM | |
| BATCH | 174332 |
| MTG TAX | 0.00 |
| TRN TAX | 0.00 |
| REC FEE | 10.00 |
| DP FEE | 2.00 |
| ARC FEE | 0.00 |
| TOTAL | 12.00 |

STATE OF TENNESSEE}

COUNTY OF WILLIAMSON}

STATE OF TENNESSEE, WILLIAMSON COUNTY
SADIE WADE
REGISTER OF DEEDS

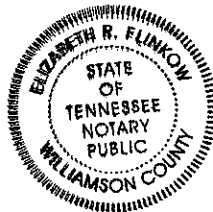
Before me, *Elizabeth R. Flinkow* of the state and county mentioned, personally appeared *Karen Wabby* with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be *President* of the Cornerstone Homeowners' Association, Inc., the within named bargainor, a corporation, and that she as such *President*, executed the forgoing instrument for the purpose therein contained, by signing the name of the corporation by herself as *Karen Wabby*.

Witness my hand and seal, at office in Williamson Co this 15th day of March, 2010.

Notary Public

My Commission Expires

Apr. 24, 2013



This instrument prepared by:
Landmark Realty Services
3310 West End Avenue, Suite 490.
Nashville, TN 37203

**DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR CORNERSTONE**

THIS DECLARATION of Easements, Covenants, Conditions and Restrictions (hereinafter referred to as "Declaration") made and published on or as of the date hereinafter set forth, by and between CORNERSTONE LAND DEVELOPMENT, LLC, (hereinafter referred to as "Developer"), and any and all persons, firms, corporations or other entities, hereafter acquiring any of the within described property.

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property located in Williamson County, Tennessee, and desires to create thereon, a residential development known as CORNERSTONE, more particularly described on Exhibit A attached hereto (the "Development" or "Subdivision") for the mutual benefit of the future residents of the Development; and

WHEREAS, it is in the best interest of the Developer, as well as to the benefit, interest and advantage of each and every person or other entity hereafter acquiring any of the property within the Development that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed, set forth and declared to be covenants running with the land; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in the Development, and for the continued maintenance and operation of any common areas and is recording these restrictions and establishing the Association prior to the sale of any Lots to any third parties; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, and to fulfill the foregoing objects, purposes and requirements, to create an entity to which should be delegated and assigned the powers of maintaining any common areas, managing the affairs of the residential development, administering and enforcing the covenants and restrictions, and collecting and disbursing any necessary assessments and charges hereinafter created; and

WHEREAS, the Developer has caused, or will cause, to be incorporated under the laws of the State of Tennessee a non-profit corporation having as its members owners of Lots within the Development for the purpose of exercising the aforementioned functions.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the terms, conditions and restrictions hereinafter set forth, the Developer declares that the real property hereinafter described is and shall be held, transferred, sold, conveyed and occupied subject to the following restrictions, covenants, conditions, easements, assessments and liens all of which are to be construed as covenants running with the land and which shall be binding on all parties having or acquiring any right, title or interest in the hereafter described property or any part thereof and which shall inure to the benefit of each owner thereof. Every person or other party hereafter acquiring any of the within described property made subject to this Declaration, by acceptance of a deed to any interest in or to said property, shall take such property interest subject to this Declaration and to the terms and conditions hereof, and shall be deemed to have agreed to the same.

ARTICLE I

DEFINITIONS

The following words, when used herein, shall have the following meanings:

Section 1. The "Association" shall mean CORNERSTONE Homeowners Association, Inc. a Tennessee not-for-profit corporation, its successors and assigns organized by the Developer for the purpose of owning and maintaining the Common Area and which has as its members every Lot Owner subject to assessment as hereinafter provided. The Association shall have the right to govern the Common Areas as specified in this Declaration.

Section 2. "Builder" shall mean and refer to any person who is in the business of constructing single family residences and who acquires any Lot(s) in the Subdivision for the purpose of constructing a single family residence thereon for sale to a third party customer of the Builder. Builder shall not include persons acquiring a Lot in the Subdivision for the purpose of constructing a single family residence for their own use.

Section 3. "Common Area or Common Areas" shall mean and refer to any and all real property owned by the Association, and such other property to which the Association may hold legal title, whether in fee or for a term of years, for the non-exclusive use, benefit and enjoyment of the members of the Association, subject to the provisions hereof, and such other property as shall become the responsibility of the Association, through easements or otherwise, including any recreational areas or

amenities whether constructed initially by the Developer or by the Association. Common Areas with respect to the property made subject to this Declaration, whether at the time of filing of this Declaration or subsequently by Supplemental Declarations shall be shown on the plat(s) for the Subdivision, and designated thereon as "Common Areas" or "Open Space." If required, legal title to all Common Areas shall be quitclaimed to the Association as plats are recorded.

Section 4. "Declaration" shall mean this instrument, as the same may be amended and/or supplemented from time to time as provided for herein.

Section 5. "Developer" shall mean Cornerstone Land Development, LLC, its successors, representatives and assigns, provided such assigns are designated in writing by the Developer as an assignee of the rights of the Developer as set forth herein.

Section 6. "House" shall mean and refer to a building situated upon any Lot designated and intended for use and occupancy as a residence by a single family.

Section 7. "Lot" shall mean any lot shown on any recorded plats of the Property. A Lot shall not include any dedicated streets and roadways.

Section 8. "Lot Owner" or "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. "Occupant" shall mean or refer to any person or persons in possession of a lot or home other than a Lot Owner.

Section 10. "Person" shall mean or refer to a natural person, as well as a corporation, partnership, firm, association, trust, or other legal entity.

Section 11. "Plat(s)" shall mean and refer to the plat(s) for the Subdivision recorded in Plat Book P38 Page 57 in the Williamson County Register of Deeds Office subdividing the Property into lots and reflecting thereon the public streets, common areas, and utility easements and other matters normally shown on subdivision plats. The Property may be platted in two or more phases.

Section 12. "Property" shall mean the real property submitted to this Declaration and described on Exhibit A attached hereto and incorporated herein by reference. The Property shall not include any public streets and roadways shown on the Plat. As provided in this Declaration, the Developer shall have the right to subject certain

additional real property to the terms of this Declaration and in such event such additional property shall be deemed to be included within the definition of "Property."

Section 13. "Subdivision" shall mean and refer to the CORNERSTONE Subdivision recorded in Plat Book P38 Page 57 in the Williamson County Register of Deeds Office.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Lot Owner who is subject to assessment by the Association as hereinafter provided shall be a mandatory member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot that is subject to assessment. When any Lot is owned of record in joint tenancy, tenancy in common, tenancy by the entirety, or by some other legal entity, their membership as to such Lot shall be joint and the rights of such membership (including the voting power arising therefrom) shall be exercised as specified herein. A corporate member's vote shall be cast by the president of the member corporation or by any other officer or proxy appointed by the president or designated by the Board of Directors of such corporation. When two or more persons hold an interest in any Lot as owners thereof, all such persons shall be members. The vote for such Lot shall be exercised by one of such persons as proxy or nominee for all persons holding an interest as owners in the Lot and in no event shall more than one vote be cast with respect to any Lot, except as provided above with respect to Developer. If joint owners are unable to specify by their majority vote how their vote shall be cast, then no vote shall be cast with respect to such Lot.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Lot Owners, with the exception of the Developer or its assignees as hereinafter provided, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Developer and any assignee of the Developer to whom such rights have been assigned in writing. The Class B member shall be entitled to four (4) votes for each Lot owned. For voting purposes, any and all Lots shown on the Master Plan but not yet platted shall also be counted as Lots owned by the Developer or its assignee and the Owner of any such unplatted Lots shall be entitled to four (4) votes for each Lot owned

prior to the termination of the Class B Membership and one vote for each such unplatted Lot thereafter.

Section 3. The Class B membership shall continue until the earlier of (i) one year after 75% of the total Lots shown in the Subdivision Plan have been sold by the Developer, (ii) seven (7) years following the date of the sale of the first Lot by the Developer, or (iii) the Developer's election by notice to the Association to relinquish such additional voting rights (hereinafter referred to as the "Transfer of Control") after which time the Class B membership interest shall terminate and Developer shall have only one vote for each Lot that it owns.

Section 4. First Meeting of Members. 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.

Section 5. Acceptance of Development and Improvements to Common Areas. By 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 CORNERSTONE Subdivision Development, and all improvements constructed by that date, including, without limitation, the utilities, drains, roads, sewers, landscaping, Common Area amenities, and all other improvements as designated on the plat and as may be supplemented by additional plats upon completion of development of any portion of the Subdivision. Such purchaser agrees that all improvements constructed after the date of purchase consistent with such plans, and at the same quality of then existing improvements, shall be accepted. The Developer shall have the right to construct improvements to the Common Areas either before or after same have been dedicated to the Association. In addition, the Association shall have the right to make improvements to the Common Areas. The Association shall be responsible for the maintenance and upkeep of all improvements to the Common Areas.

ARTICLE III

COVENANT FOR ASSESSMENTS FOR THE ASSOCIATION

Section 1. Creation of the Lien and Personal Obligation of Assessments. All Lot Owners by acceptance of a deed for any Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, fines levied by the Association, or for other purposes with such assessments to be established and collected as hereinafter provided. The annual and special

assessments, together with interest, costs, and reasonable attorney's fees as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made from the date when due until the same is paid in full or otherwise discharged. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Lot Owner at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title of said person unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Lot Owners, to provide for the maintenance of the Common Area and drainage areas and facilities, retaining walls, and any other areas or facilities in the Subdivision determined by the Board to be the responsibility of the Association, to pay property taxes and liability insurance on the Common Areas and amenities, to pay the fees of any management agent the Association may employ to manage the affairs of the Association, and to pay other reasonable and necessary expenses of the Association. An adequate reserve fund for the maintenance, repair, and replacement of items maintained by the Association pursuant to this section shall be established and funded by regular monthly payments.

Section 3. Setting of Assessments.

The Board of Directors of the Association, in its discretion, shall fix the amount of the annual assessment in an amount sufficient to allow the Association to meet all its financial responsibilities including reserves for replacements and capital funds. The assessment amount may be adjusted up or down as may be required to allow the Association to meet all its financial obligations. Assessments shall be payable in either monthly, quarterly or annual increments as shall be determined from time to time by the Board.

Section 4. Special Assessments for Capital Improvements, Fines, and other Purposes. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment to pay in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property, if any, related thereto, provided that any such assessment shall have the assent of a majority of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose. In addition, the Association shall have the right to levy fines against Owners for violations of this of this Declaration or any Regulations promulgated hereunder and such fines shall be Special Assessments and shall constitute a lien against the Owner's Lot.

Section 5. Working Capital Fund. Each Owner of a completed residence in the Subdivision shall pay Three Hundred Dollars (\$300.00) to the Association at the closing of the sale of the completed residence to such Owner. Pending the Transfer of Control, the Developer shall have the obligation to advance funds for the maintenance of the Common Areas and administration of the Association to the extent that the working capital contributions and assessments shall be insufficient to enable the Association to defray such costs (hereinafter referred to as the "Developer Contributions"). Amounts paid into the fund shall not be considered as advance payment of regular assessments. The working fund shall be held and disbursed for the following purposes in the order of priority listed: (a) to fund costs of maintenance of the Common Areas and administration of the Association that cannot be defrayed by assessments, (b) to repay Developer Contributions, and (c) to assure that the Association will have cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Board of Directors.

Section 6. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article III shall be sent to all members not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. This procedure may be continued with the quorum required to be reduced to one-half of the required quorum at the preceding meeting until a quorum is present. However, in no event may the required quorum be less than 10% of all votes entitled to vote at the meeting. No such subsequent meeting shall be held more than ninety (90) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments (except special assessments levied as fines against an Owner for a violation of this Declaration or Regulations promulgated hereunder) must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments Due Dates. The annual assessments provided for herein shall commence as to Lots not owned by the Developer on the first day of the first month following the closing of the transfer of the first Lot by Builder to an Owner of a completed House. As to Lots owned by the Developer, the annual assessments shall commence as to each Lot upon conveyance of such Lot by Developer except for a conveyance to Builder or except for a transfer in

which Developer is transferring its rights as Developer. As to Lots owned by Builder, the annual assessments shall commence as to each Lot upon conveyance of such Lot by Builder to an Owner of a completed House. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors of the Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Lot Owner subject thereto. The assessment shall be paid quarterly on the first day of each quarter by every Lot Owner or in such installments as shall be determined by the Board of Directors of the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid by the tenth (10th) day of the month in which it is due shall be subject to a late charge in an amount established by the Board of Directors of the Association and shall bear interest from the due date at the maximum rate allowed by applicable law. The Association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien against the Lot, and there shall be added to the amount of such assessment all collection costs, including reasonable attorney's fees, and the costs of bringing such action or foreclosure. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments on any Lot provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IV

ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS

Section 1. Single Family Residential Construction. No building or other structure shall be erected, altered or permitted to remain on any Lot other than one (1) single family residential dwelling not to exceed two and one-half (2-1/2) stories in height which may have a private garage for not more than three (3) cars which structures shall not

exceed the main dwelling in height. Provided, however, the dwelling may include three (3) stories if one of the stories is a basement.

Section 2. Approval of Plans.

(a) No construction, reconstruction, remodeling, alteration, or addition of or to any structure, building, fence, wall, drive, or improvement of any nature shall be constructed on any Lot without obtaining prior written approval of an Architectural Committee composed of three (3) members as to the location, plans, and specifications therefor. Prior to the Transfer of Control, the Developer shall appoint the members of the Architectural Committee, and subsequent to the Transfer of Control the members of such Committee shall be appointed by the Board of Directors of the Association. As a prerequisite to consideration for approval, and prior to the commencement of the contemplated work, a Lot Owner shall submit to the Developer, or the Association's managing agent, as the case may be, such plans, specifications, and other information concerning the proposed improvements as the Architectural Committee may require from time to time as a condition for its review and approval thereof accompanied with such fee as the Association may require, and the Developer or such managing agent shall submit the same to the Architectural Committee for approval. All plans of proposed residences to be constructed in the Subdivision shall conform to the standards set forth in subparagraph (b) below and the restrictions and provisions contained in this Declaration, and the Architectural Committee shall be the sole arbiter of such plans and may withhold its approval for any reason, including purely aesthetic reasons. Upon approval being given, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans, otherwise the approval shall be void. A reasonable fee may be charged by the Association to defray its costs incurred in considering and acting upon such proposed plans and specifications.

(b) Residences to be constructed within the Subdivision shall be sufficiently compatible with existing architectural styles that predominate in the development to assure a pleasing overall appearance and maintain its image as a high quality, single family, residential neighborhood. Residences shall comply with all applicable ordinances and regulations, including residential design standards, established by the City of Franklin Planning Commission (and/or any other applicable governing authority). Existing structures will be considered but do not, as such, constitute precedent nor assure approval.

(c) Developer, the Architectural Committee, the Association and the individual members thereof shall not be liable for any act or omission in performing or purporting to perform the functions delegated hereunder. The Developer and/or the Association shall use their best efforts to indicate approval or disapproval of any plans submitted within thirty (30) days after the receipt of the required documents. Approval

or disapproval by Developer or the Association shall not be deemed to constitute any warranty or representation by it including, without limitation, any warranty or representation as to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations. Anything contained in this Section 2, or elsewhere in this Declaration to the contrary notwithstanding, Developer and the Association, and the Architectural Committee are hereby authorized and empowered, at their sole and absolute discretion, to make and permit reasonable modifications or deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Lot and of the size and location of any such building or improvement when, in their sole and final judgment, such modifications and deviations in such improvements will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Property and the improvements as a whole; provided, however, such modifications and deviations must remain within all applicable ordinances and regulations established by the City of Franklin Planning Commission, including residential design standards, (and/or any other applicable governing authority).

Developer or the Association, as the case may be, may require the submission to it of such documents and items, including as examples, but without limitation, written requests for and description of the variances requested, plans, specifications, plot plans and samples of material(s), as either of them shall deem appropriate, in connection with its consideration of a request for a variance. If Developer or the Association, or the Architectural Committee shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing its decision to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitations, the type of alternative materials to be permitted, and alternate fence height approved), and signed by Developer or the Association, as the case may be. Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (i) written notice of disapproval from Developer or the Association or (ii) failure by Developer or the Association to respond to the request for variance. In the event Developer or the Association or any successor to the authority thereof shall not then be functioning, no variances from the covenants herein contained shall be permitted, it being the intention of Developer that no variances be available except at its discretion or that of the Association or Architectural Committee. Neither Developer nor the Association shall have the authority to approve any variance except as expressly provided in this Declaration.

Section 3. Structural Compliance. All structures shall be built in substantial

compliance with the plans and specifications therefor, approved by Developer or the Association as provided in Section 2 above.

Section 4. Improvement and Setback Restrictions.

No building or structure, or any part thereof, shall be located on any Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines required by the city of Franklin or any other applicable governing authority and as may be shown on the recorded plats. No encroachment upon any utility or drainage easements reserved on the Plat except for approved fences shall be authorized or permitted.

Section 5. Re-subdivision of Lots. No Lot shall be re-subdivided, nor shall any building be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the Association, as well as any governmental authority having jurisdiction. Developer, however, shall have the right, but not the obligation, to re-subdivide Lots, by recorded plat or in any other lawful manner, all or any part of the Property, and such Lots, as re-platted, shall be subject to this Declaration as if such Lots were originally included herein. Any such re-plat must comply with pertinent re-platting ordinances, statutes, regulations and requirements.

Section 6. Walls, Fences and Hedges. No wall shall be erected or maintained nearer to the front lot line than the rear building corners on such Lot, nor on corner lots nearer to the side Lot line than the rear building corners parallel to the side street. No side or rear fence, wall or hedge shall be more than six (6) feet in height. Prior to commencing the addition or modification of any wall or fence, plans for such improvement shall be submitted to the Architectural Committee as provided in Article IV, Section 2. Any wall, fence or hedge erected on a Lot shall be maintained by the Owner thereof. All fencing shall be constructed only of such materials and erected only on such Lots and in such a manner as shall be approved by the Association. No chain-link fencing shall be permitted. The planting of hedges, shrubbery or evergreens in lieu of a fence, and extending to the front or sides of any Lot is permitted, provided such planting shall not be maintained at a height in excess of forty-two (42) inches. All fences, walls, and hedges are subject to the provisions of Section 25 relating to visual obstruction.

Section 7. Roofing Material. The roof of any building (including any garage) shall be constructed or covered with asphalt or composition type shingles. Any other type of roofing material shall be permitted only in the sole discretion of the Architectural Committee upon written request.

Section 8. Swimming Pools. Swimming pools shall be located at the rear of the residence. All swimming pools or spas shall have a perimeter enclosure, the plans for

which, including landscaping plans, must be approved by the Architectural Committee. No above ground swimming pools shall be permitted unless enclosed within an approved privacy fence.

Section 9. Storage Tanks and Refuse Disposal. No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance, except for refuse produced through normal daily living and of a nature which is satisfactory for pick-up by the Department of Public Works or its equivalent. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Lot. All equipment, coolers, and garbage cans shall be concealed from the view of neighboring lots, roads, streets, and open areas.

Section 10. Clothes Lines. Outside clotheslines shall not be permitted.

Section 11. Signs and Advertisements. No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed in view on any Lot or any improvement thereon without the prior written consent of the Association; provided that this requirement shall not preclude the installation by Developer of signs identifying the entire residential development, model home(s), and homes/lots for sale and provided further that this requirement shall not preclude the placement by Owners or Builders of "For Sale" signs in the front of individual residences of such size, character, and number as shall from time to time be approved by the Association but in no event larger than 2 feet wide and 3 feet high. The Association shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 12. Use of Temporary Structures. Except as specifically provided herein, no structure of a temporary character, mobile home, camper, trailer, basement, tent, shack, tool shed, storage shed, garage, barn or other outbuilding shall be erected. Other structures of a permanent or semi-permanent nature may be approved from time to time in accordance with the provisions of this Article IV. Temporary structures may be used as building or sales offices and for related purposes during the construction period by the Developer or its assigns and Builders.

Section 13. Parking and Storage of Automobiles, Boats, Trailers and Other Vehicles. No trailers, boat trailers, go carts, golf carts, travel trailers, inoperative automobiles or campers shall be temporarily, semi-permanently or permanently parked or stored in the public street right-of-way or forward of the front building line. Storage of such items and vehicles must be screened from public view, either within the garage or behind a fence which screens such vehicle from public view, unless otherwise approved

in writing by the Developer or Architectural Committee in accordance with Section 2 above. No tractor-trailers, buses, or other large commercial vehicles shall be parked on driveways or in streets within the Property for periods of time exceeding six (6) hours or for more than twelve (12) hours in any calendar month. The foregoing shall not apply to construction vehicles of the Developer or Builders. No on-street parking of cars for periods over 24 hours in any calendar week.

Section 14. Outside Lighting. Outside lights at eaves and door entrances shall be permitted, but no exterior flashing or high-intensity lights on the exterior of any building shall be permitted, except lighting for model homes or as otherwise may be allowed with the prior written approval of the Association. Tasteful accent lighting are encouraged and security lighting including spotlights and flood lights which do not create a nuisance for other Lot Owners are permitted. The Association reserves the right to require any Lot Owner to deactivate or remove any light which the Association deems to be unattractive or a nuisance to other Lot Owners. Tasteful holiday decorative lights are permitted from Thanksgiving until January 7 subject to any rules established by the Association regarding the types and extent of such lighting.

Section 15. Maximum Height of Antennae and Satellite Dishes. Unless approved by Developer, no electronic antenna or device of any type shall be erected, constructed, placed or permitted to remain on any Lot, house or building. No Satellite dishes greater than 3 feet in diameter shall be installed on any home or Lot and all dishes shall be placed at the rear of the home so as to not be visible from the street.

Section 16. Window Units. All supplements to the central air conditioning system must be used, erected, placed or maintained to the rear of the main residential structure. ~~No window or wall type air conditioning units shall be permitted to be seen from the street view of any Lot and all such units shall be installed flush with the exterior wall surface.~~

Section 17. Recreational Equipment. All playground and recreational equipment must be used, erected, placed or maintained to the rear of all Lots. Basketball goals shall be allowed in driveways if placed to the rear or side of the residence.

Section 18. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 19. 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 or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, down spouts, building surfaces, patios, walkways, driveways, and other exterior improvements. The Owner or Occupant of each Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and all trees and shrubbery pruned and cut. In addition, each Lot Owner shall be responsible for maintaining the right of way between such Lot Owner's Lot and the curb of the street. No Lot shall be used for storage of material and equipment, except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law) of any such materials is prohibited. In the event of default on the part of the Owner or Occupant of any Lot in observing the above requirements or any of them, each default continuing after ten (10) days' written notice thereof, the Association may, subject to approval of its Board of Directors, enter upon said Lot, repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Lot in a neat, attractive healthful and sanitary condition. In so doing, the Association or its agents shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of such Lot as the personal obligation of such Owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as a maintenance assessment. Any Occupant of such Lot shall be jointly and severally liable with the Owner of the payment of such costs.

The Association shall contract with one (1) or more landscaping services to provide grass cutting, lawn maintenance, proper care for all trees, shrubbery and other landscaping, and other necessary maintenance services for the Common Areas, provision for which shall be made in the monthly or annual assessments.

The Owners of Lots 34, 35, 40 and 41 as identified on the Plat shall be jointly and equally responsible for the maintenance of the Ingress Egress Utility Easement located on their Lots. Similarly, Owners of Lots 36, 37, 38 and 39 as identified on the Plat shall be jointly and equally responsible for the maintenance of the Ingress Egress Utility Easement located on their Lots. Any disagreements in the maintenance of these easements, including but not limited to the timing and costs of repairs, shall be resolved by the Association.

Section 20. Damage Destruction or Maintenance. In the event of damage or destruction to any structure located on the Property, the respective Owner thereof agrees as follows:

(a) In the event of total destruction, the Owner shall promptly clear the Lot of debris and leave the same in a neat and orderly condition. Within sixty (60) days

of any insurance settlement, the Owner must commence to rebuild and reconstruct the structure. Any such rebuilding and reconstruction shall be accomplished in conformity with the plans and specifications of the original structure so destroyed, subject to any changes or modifications as approved by the Developer or the Association or Architectural Committee, as the case may be, in accordance this Article IV hereof.

(b) In the case of partial damage or destruction, the Owner shall as promptly as an insurance adjustment may be made, cause the damage or destruction to be repaired and restored in a first class condition in accordance with the plans and specifications of the original structure and in conformity with its original exterior painting and decor. Any change or alteration must be approved by the Developer or the Association, as the case may be, in accordance with Article IV hereof. In no event shall any damaged structure be left unrepaired and unrestored for in excess of sixty (60) days from the date of the insurance adjustment.

(c) If the correction of a maintenance or repair problem incurred on one Lot necessitates construction work or access on another Lot, both Owners shall have an easement on the Property of the other for the purpose of this construction. Each party shall contribute to the cost of restoration thereof equally, unless such damage was caused by the fault of an Owner, in which event the Owners shall allocate the cost of restoration in proportion to the relative fault of the parties.

Section 21. Use of Premises. Each Lot shown on the Plat shall be used only for private, single family residential purposes and not otherwise. Notwithstanding the foregoing, Developer or any Builder may maintain, as long as it owns property in or upon such portion of the Property as Developer may determine, such facilities as in its sole discretion may be necessary or convenient, including, but without limitation, offices, storage areas, model units and signs, and houses in the development) to use, residential structures, garages or accessory buildings for sales offices and display purposes, but all rights of Developer and of any Builder acting with Developer's permission under this sentence, shall be operative and effective only during the construction and sales period within the area, and this provision may not be amended, altered or repaired without the prior consent of the Developer.

Section 22. Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets such as dogs and cats which may be kept thereon in reasonable numbers as pets for the sole pleasure of the Owner or Occupant, but not for any commercial use or purpose. No animal shall be allowed to roam freely in the Subdivision and all animals must be either kept in a secure enclosure to be located on the rear of the Lot hidden from public view or in the home. All animals shall be maintained on a leash and under control at all times

when not otherwise secured in the required enclosure or in the home. No Owner or Occupant shall be allowed to keep on any Lot or the Common Area any animal which causes excessive noise (including without limitation barking), odor or constitutes a danger to other persons or otherwise constitutes a nuisance. The Board of Directors of the Association shall be the sole judge using their sole discretion as to whether any animal violates the provisions hereof.

Section 23. Nuisances and Unsightly Materials. No house or other structure on any Lot shall be used for any business or commercial purpose. Each Owner or Occupant shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to others. No noxious, offensive, or illegal activity shall be carried on upon any Lot. No motorcycle, motorbike, motor scooter, go-cart, or any other unlicensed motorized vehicle shall be permitted to be operated on or in the Common Areas. No Lot shall be used, in whole or in part, for the storage of rubbish of any character whatsoever, nor shall any substance, thing, or material be kept upon any Lot which will emit foul or noxious odors or which will cause any noise that will or might disturb the peace and quiet of the Owners or Occupants of surrounding Lots or property. The foregoing shall not be construed to prohibit the temporary deposits of trash and other debris for pick-up by garbage and trash removal service units. The Board of Directors of the Association shall be the sole judge using its sole discretion in determining any violation of any provision contained in this Declaration.

Section 24. Hobbies and Activities. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the consent of the Association.

Section 25. Visual Obstruction at the Intersection of Public Streets. No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the surface of the streets shall be placed, planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of the street involved and a line running from curb line to curb line at points twenty-five (25) feet from the intersection of the street curb lines. The same limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway.

Section 26. Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this

Declaration, the more restrictive provision shall apply.

Section 27. Roads. It shall be obligatory upon all owners of the Lots in this Subdivision to consult with the City of Franklin, Tennessee ("Franklin") or any other applicable governing authority with jurisdiction over said matters, before any driveways, culverts, other structures or grading are constructed within the limits of any dedicated roadway, and such placement or construction shall be done in accordance with the requirements of Franklin applying to the roads within the Subdivision in order that the roads or streets within the Subdivision which would be affected by such placement or construction may not be disqualified for acceptance by Franklin into the public road system.

Section 28. Easement for Roads. The right is expressly reserved to the Developer and Owners, their representatives, heirs, successors and assigns, to construct all streets, roads, alleys, or other public ways as now, or hereafter may be, shown on the Plat(s), at such grades or elevation as they, in their sole discretion, may deem proper; and, for the purpose of constructing such streets, roads, alleys or public ways, they additionally, shall have an easement, not exceeding ten (10) feet in width, upon and along each adjoining Lot, for the construction of properly banked slopes in accordance with the specifications of the government body or agency having jurisdiction over the construction of public roads; and no Owner of any Lot shall have any right of action or claim for damages against anyone on account of the grade of elevation at which such road, street, alley or public way may hereafter be constructed, or on account of the bank slopes constructed within the limits of the said ten (10) foot easement.

Section 29. Minimum Square Footages and Brick Requirements. The minimum square footage for residences constructed on the Lots shall be 2,500 square feet. For purposes of calculating square footage contained in a residence, the square footage calculation shall include only heated, finished living space. All homes must be substantially all brick, stone or other masonry on the exterior with the exception of gables, eaves, and stone accents.

Section 30. Maintenance and Use of Common Areas and Amenities.

(a) The Common Areas and any and all amenities thereon shall be for the recreational use and enjoyment of the Owners and their permitted guests and invitees. Except as may otherwise be delegated to the Owners by the Association, the Association shall be responsible for the ongoing maintenance of all Common Areas and all improvements thereon in a reasonable order and condition. The Association may publish regulations from time to time governing the use of all of the Common Areas including all amenities located thereon. Such regulations may be enforced in the same manner as the provisions of this Declaration. Notwithstanding anything to the contrary

contained herein, the Association shall not be dissolved, nor shall it dispose of any Common Areas or facilities, by sale or otherwise, except to an organization conceived and established to own and maintain the Common Areas and the conditions of a transfer shall conform to the approved site plan and any requirements of all applicable zoning and planning authorities.

(b) Common open space shall be suitably improved for its intended uses, but common open space containing natural features worthy of preservation shall be left undisturbed. The buildings, structures, and improvements which are permitted in common open space shall be appropriate to the uses which are authorized for common open space and shall conserve and enhance the amenities with regard to its topography and unimproved condition.

Section 31. Erosion Control and Lot Maintenance. During and throughout construction, as well as after completion of a residence, the Builder or Lot Owner shall take such action as may be reasonably required: (a) to control, inhibit, and prevent land erosion and the sedimentation of streams and ponds from erosion, and (b) to keep such site in a neat and sightly condition free from trash and debris. If a Builder or Owner does not maintain a site as herein provided, then the Developer or the Association may, after reasonable notice to Builder or Owner, have the required work done and the cost thus incurred shall be paid by the Builder or Owner upon demand. The Developer and the Association shall have the right of entry upon each Lot as necessary to perform such work or cause such work to be performed.

Section 32. Storage of Building Materials. No lumber, brick, stone, block or other building materials shall be stored on any Lot except for building purposes for that particular Lot, and then only for such time as is reasonably necessary for a diligent completion of the project.

Section 33. Curb Cuts and Damage. Any Builder or Owner who makes a curb cut or damages any curbing, sidewalk, roads or Common Areas shall be responsible for repairing same at his sole expense and at the direction and to the satisfaction of the Developer or the Association. Builder or Owner shall reimburse Developer for the cost of any such repairs if Developer repairs damages.

Section 34. Excavation and Fill. No Owner or Builder shall excavate or extract earth from any Lot for any business or commercial purpose. Proposed elevation changes on a Lot shall be included with the plan submitted to the Architectural Committee prior to commencement of construction. Changes which adversely affect the surface grade of adjacent or surrounding Lots or the storm water drainage plan will not be permitted. Substantial quantities of fill brought to any Lot during construction

shall be subject to prior approval by the Developer or Association for stability and effect on adjacent Lots.

Section 35. Driveways and Garages. All driveways and parking areas shall be paved with concrete aggregate, brick or interlocking paving block or decorative concrete. Alleyways located at the rear of the Lot and designated as ingress and egress easements on the Plat may be paved with asphalt. It shall be permitted on all Lots with connecting driveway turnarounds for an adjoining Lot Owner to use their vehicle on a connecting Lot Owner's driveway turnaround for ingress and egress to and from their garage. Garage doors shall remain closed whenever reasonably possible.

Section 36. Sidewalks. See Section 33. The Builder or Lot Owner shall be responsible for the maintenance, repair and replacement of the sidewalk on their Lot.

Section 37. Landscaping and Trees. The front elevation of each residence in the Subdivision shall be landscaped with shrubs, bushes, trees or other plantings so as to provide cover at grade across the front of the home. In addition, on each Lot the Builder and/or Owner shall install sufficient tree plantings to meet the city of Franklin's design standards. Street trees planted in the street right of way adjacent to the Lot may be used to fulfill this requirement, though the location of such street trees shall be approved by Developer. In addition, all Lots shall be strawed and seeded. All plantings and landscaping and seeding shall be completed prior to occupancy of the residence, weather permitting. The Association shall be responsible for maintaining and replacing any dead, damaged, or diseased street trees located in the street right of way adjoining their Lot, unless damaged by Lot Owner. The Association shall be responsible for maintaining and replacing any dead, damaged, or diseased street trees located in the street right of way adjoining any Common Areas, unless damaged by Lot Owner. The Association shall have the right to go on any Lot in order to replace trees or to "limb up" or trim any such street trees. Each Lot Owner shall be responsible for maintaining shrubbery or other plantings on their Lot and keeping same properly trimmed and shall be responsible for replacing any such shrubbery or plantings if any such plantings die.

Section 38. Front Porches. No front porch on any residence shall be enclosed in any way either screened in or glassed in or otherwise walled in. Porches may have railings of painted wood or metal. Front porches, both open and covered may encroach within the minimum front building setback up to five feet as long as the government agencies in Williamson County or other applicable governing authority approves such encroachment.

Section 39. Rules and Regulations. The Association shall have the right to pass rules and regulations governing additional aspects of and imposing additional restrictions on the use and maintenance of the Lots and use of and maintenance of

Common Areas. Said rules and regulations may include (without limitation) the right to make additional special assessments against specific lot owners as a result of a Lot Owner's (or any agent or invitee of a Lot Owner) violation of any of the terms of this Declaration or of any rules or regulations promulgated hereunder. In addition, the rules and regulations may provide that Lot Owners shall be responsible for maintenance of limited portions of Common Areas immediately adjoining their lot. Any and all assessments made pursuant to the rules and regulations shall be deemed assessments properly made pursuant to the terms of this Declaration and may be collected by the Association in accordance with the provisions as contained herein. In addition, the Rules and Regulations may include (without limitation) restrictions and rules regarding any and all aspects of the use of the Lots and residences thereon as well as the common areas regarding any matter which the Association believes should be regulated in order to preserve the desirability and attractiveness and/or provide for maintenance of the Development if the Association reasonably determines that such rules and regulations shall benefit the overall Development. Specifically, and without limiting any additional matters which may be addressed in the Rules and Regulations, the Rules and Regulations may regulate lawn art, lighting, neon signs, interior window coverings that are visible from the street, and holiday decorations.

ARTICLE V

INSURANCE and TAXES

Section 1. Common Area. The Association shall keep in force and maintain such hazard, public liability, or other insurance in reasonable amounts as it shall deem necessary relating to the Common Area and any amenities located thereon. The Association may also insure any other property, whether real or personal, owned by it, against such hazards as may be deemed desirable by the Association. Premiums for all insurance carried by the Association shall be part of the expenses covered by the annual assessments of the Association. The Association shall also be responsible for the prompt payment of property taxes assessed against the Common Areas and any improvements thereon. The Association may set assessments for the collection of property taxes against the Common Areas as specified in Article III.

Section 2. Lots. Insurance against damage by fire or other casualty to the improvements on any Lot, liability insurance with respect to occurrences on any Lot, and other insurance relating to each Lot, shall be the responsibility of the individual Lot Owners.

Section 3. Fidelity Bonds.

(a) At the discretion of the Board of Directors of the Association, blanket fidelity bonds will be maintained by the Association for all officers, directors,

trustees, and employees of the Association handling, or responsible for, the funds of or administered by the Association. Further, in the event the Association delegates some or all of the responsibility for the handling of funds to a management agent, a blanket fidelity bond will be required for officers, employees, and agents of such management agent handling, or responsible for, the funds of or administered on behalf of the Association.

(b) The total amount of fidelity bond coverage shall be based upon the best judgment of the officers of the Association and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bond be less than a sum equal to three (3) month's aggregate assessment on all Lots plus reserve funds.

(c) All such fidelity bonds shall:

(i) Name the Association as an obligee;

(ii) Contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions; and

(iii) Shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association.

(d) Premiums on all such fidelity bonds (except premiums on fidelity bonds maintained by a management agent for its officers, employees, and agents) shall be paid by the Association as a common expense.

Section 4. Other Insurance. The Association may also obtain such other insurance as the Board of Directors deems desirable, in such amounts, from such sources and in such forms as it seems desirable, insuring the Common Area owned and maintained by the Association and insuring each member of the Board and officer of the Association, and each member of any committee appointed pursuant to the Bylaws of the Association, from liability arising from the fact that said person is or was a director or officer of the Association, or a member of such a committee. The premiums for such insurance and bonds shall be a common expense of the Association.

Unpaid officers and Directors of the Association shall not be liable to any Lot Owner for any act or omission unless the act or omission constitutes gross negligence or willful misconduct. If an unpaid Director or officer of any of the Associations prevails in any legal action brought against him in his official capacity by a Lot Owner, that Lot

Owner shall pay the Director or officer all his reasonable legal fees.

ARTICLE VI

EASEMENTS

Easements. In addition to, and without limitation of, any other easements or rights reserved elsewhere in this Declaration, the following rights and easements are hereby reserved:

(a) Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on any Plat and as otherwise shown by the public records. Within these easements, no structure, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Lot Owner, except for those improvements for which a public authority or utility company is responsible. In the event any Lot Owner or Builder damages or alters any improvements or otherwise alters the flow of drainage as designed for the Subdivision, then such Lot Owner or Builder shall be responsible for repairing any such damage or make any corrections necessary in order to restore normal drainage in accordance with the drainage design for the Subdivision.

(b) Easements are reserved as shown on any plat and as otherwise shown by the public records for the purpose of permitting any and all utilities, including without limitation underground wires or cables, water, sewer, and drainage.

(c) Each Lot Owner shall grant such easements upon his Lot as are necessary to serve the Property for water, sewer, drainage, telephone, gas, electricity and other utilities, and the erection and maintenance of the necessary poles and other equipment, wires and conduits, sewer and water lines, drainage facilities on, above or below any Lot; provided, however, no Lot Owner shall be required to grant any easement which would unreasonably interfere with the use and enjoyment of his Lot or House and any easement granted hereby shall impose on the grantee of said easement the obligation to (a) maintain said easement so that the use thereof will not interfere with the use and enjoyment of any Lot or House and (b) repair and restore that portion of any Lot upon which the easement is located to its original condition or as near as possible to its original condition.

(d) Until completion of Developer's intended development of the Property, an easement is reserved to the Developer for ingress and egress generally across the Property, including any Lot, at reasonable places, for the purpose of completing

Developer's intended development of the Property, provided that said easement shall be reasonable and shall not interfere with the construction of improvements on a Lot nor the use and enjoyment of a Lot by a Lot Owner. Developer and the Association also reserves any and all easements reasonably required to allow completion, repair and maintenance of any and all utility areas, or improvements.

(e) Until completion of Developer's intended development of the Property, an easement is reserved to the Developer to enter the Common Area and to maintain thereon such facilities and perform such operations as in the sole opinion of the Developer may be reasonably required, convenient or incidental to the intended development of the Property by the Developer.

(f) An easement is granted and reserved to the Association, its officers, agents, employees, including employees of any management company having a contract with the Association, over and upon the Common Area to perform the duties of maintenance and repair of the Common Area, to maintain any utilities for which an easement has been granted, and to prevent damage to the Common Area or any Lot or House situated thereon.

(g) In accordance with the specifications of the governmental body or agency having jurisdiction over the construction of public roads, the right is expressly reserved to the Developer, to construct all streets, roads, alleys (including any and all utility or drainage facilities), or other public ways as now, or hereafter, may be shown on any Plat at such grades or elevations as Developer, in its sole discretion, may deem proper; and for the purpose of constructing such streets, roads, alleys or public ways, Developer additionally shall have an easement, not exceeding ten (10) feet in width, upon and along each adjoining Lot, for the construction of proper bank slopes and no Lot Owner shall have any right of action or claim for damages against any one on account of the grade or elevation at which such road, street, alley or public way may hereafter be constructed, or on account of the bank slopes constructed within the limits of the said ten (10) foot easement.

(h) The Developer reserves the right to build the entrance sign(s) at the entrance(s) for the Subdivision. Once constructed, the entrance sign shall become the property of the Association. The Developer reserves all rights of ingress and egress onto said Common Area as may be necessary to construct said entrance sign.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Lot Owner, shall have the right

to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Lot Owner, to enforce any covenant or restriction herein contained or any rule or Regulation promulgated hereunder, shall in no event be deemed a waiver of the right to do so thereafter regardless of the number of violations of any particular provision and regardless of the amount of time which has passed during which any provision, rule or regulation has not been enforced. In the event the Common Areas and any improvements thereon are not being maintained as required herein, the City of Franklin, Tennessee shall have a right, but not the obligation, to maintain all Common Areas and improvements thereon and the cost of any such maintenance by the City shall be assessed against the Association and/or the Owners jointly and severally.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of those Owners then owning the Lots has been recorded prior to the expiration of said 30-year period or any said 10-year period, as the case may be, agreeing to terminate said covenants or to modify said covenants in whole or in part for the next 10-year period. Except as provided below, the provisions of this Declaration may be amended by Developer, without joinder of the Owner of any Lot, for a period of five (5) years from the date of recordation of this instrument. Thereafter, this Declaration may be amended by the affirmative vote of at least three-fourths (3/4ths) of the votes of the Owners. No such amendment shall become effective until the instrument evidencing such change has been filed of record signed by the required number of Lot Owners. Notwithstanding the foregoing, the Owners of the Lots shall have no right to amend the provisions under this Declaration concerning the right of Developer to subject certain additional property to these restrictions or reasons contained in Section 9 without the prior written consent of Developer. In addition, notwithstanding anything to the contrary contained herein, Developer reserves the right to file any amendments that may be necessary to correct clerical or typographical errors in this Declaration, and to make any amendments that may be necessary to conform the Declaration with regulations of the Federal Home Loan Mortgage Corporation, Federal Housing Administration, the Veterans Administration or other applicable regulations that may be necessary to assure lender approval of the Subdivision, if same is desired by Developer.

Notwithstanding anything to the contrary contained herein, the provisions contained herein governing the ownership, to the extent allowed by applicable law, use

and maintenance of the Common Areas shall be covenants running with the land in perpetuity and all Owners shall have a continuing obligation to maintain the Common Areas in perpetuity and to pay taxes and insurance costs on same and such obligations shall be a joint and several obligation of the Owners.

Section 4. Appointment of Successor Developer; Resignation of Developer. Developer reserves the right to assign its rights as Developer to any other person as to all or any portion of the Property by written instrument specifically setting out such assignment and any such assignee shall become the Developer hereunder upon such assignment with respect to the portion of the Property so assigned. Developer shall have the right at any time upon sixty (60) days written notice to the Association to resign as Developer of the Subdivision and shall thereafter be freed from any and all obligations imposed upon Developer upon the effective date of such resignation. Any representatives of Developer on the Association's Board may also resign at any time upon written notice to the Association.

Section 5. Headings and Binding Effect. Headings are 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.

Section 6. Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developer or its successors reserves the right, but shall have no obligation, (by and with the mutual written consent of the Owner or Owners of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

Section 7. 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 written prior notice. The charter, bylaws of the Association and this Declaration shall be available for inspection by any member at the principal office of the Association where copies may be purchased at a reasonable cost.

Section 8. Conflicts. In the event of any conflict between the provisions of this Declaration and the bylaws of the Association, the provisions of this Declaration shall control.

Section 9. Developer's Right To Add Additional Property To The Subdivision. Developer and its successors and assigns, reserves the right to add additional property to the terms of this Declaration by Supplemental Declaration to be signed by Developer

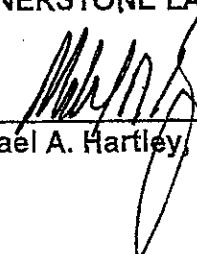
or its successors and assigns and recorded in the Williamson County Register of Deeds Office. The additional Property must be owned by Developer or its successors or assigns and be in the general vicinity of the Property. Upon the addition of any additional property to the Subdivision, all Lot Owners within such additional property shall have the same rights and obligations as all other Lot Owners in the Subdivision effective with the date of the recordation of the Supplemental Declaration adding such additional property to the Subdivision.

Section 10. Consent to Rezoning and Annexation. Every Owner shall be deemed to have consented to any rezoning of the Property or any of the additional property which may be added to the Subdivision as described in Section 9 above which may be necessary for the development of additional sections or the addition of such property to the Subdivision.

Section 11. Compliance with all applicable zoning laws and other rules and regulations; City's right of enforcement. Notwithstanding anything to the contrary contained herein, this Declaration is intended to comply with any and all applicable zoning laws, rules, design standards, and regulations. The City of Franklin shall have the right, but not the obligation, to enforce the terms of this Declaration including the right to maintain any and all Common Areas. Common open space shall be maintained in reasonable order and condition, as determined by the codes director. In the event that common open space is not maintained in reasonable order and condition in accordance with the approved site plan, then the codes director may serve written notice of the deficiencies upon the property owners association and/or the owners or residents of the development. If the deficiencies cited by the codes director have not been corrected within thirty (30) days after written notice, then he shall have the authority to correct the deficiencies. The cost of the correction shall be assessed jointly and severally against the properties within the development that have a right of enjoyment of common open space. The entire cost of correction shall be a lien upon each of the properties from the date that the lien is filed in the Register's Office of Williamson County.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, have hereunto set their hands this 8th day of SEPTEMBER, 2004.

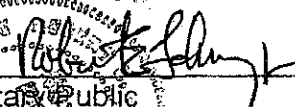
CORNERSTONE LAND DEVELOPMENT, LLC

By: 
Michael A. Hartley, Chief Manager

STATE OF TENNESSEE)
COUNTY OF WILLIAMSON)

Personally appeared before me, the undersigned, a Notary Public in and for the county and state aforesaid, Michael A. Hartley with whom I am personally acquainted, and who acknowledged that he is the Chief Manager of Cornerstone Land Development, LLC, the within named bargainor, and being so authorized to do, executed this instrument on behalf of the bargainor.

WITNESS my hand and official seal at office, on this the 8th day of September, 2004.


Notary Public
My Commission Expires: January 29, 2005

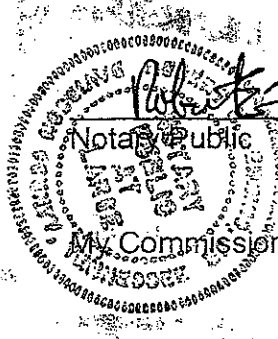


EXHIBIT "A"

(THE PROPERTY)

That certain property identified as the Cornerstone Subdivision as recorded in Plat Book P38 Page 57 in the Williamson County Tennessee Register of Deeds Office

BK/PG:3348/428-455

04042504

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|---------------------|----------|
| RESTRICTIONS | |
| 09/09/2004 | 09:44 AM |
| BATCH | 28124 |
| MTG TAX | 0.00 |
| TRN TAX | 0.00 |
| REC FEE | 140.00 |
| DP FEE | 2.00 |
| REG FEE | 0.00 |
| TOTAL | 142.00 |

STATE OF TENNESSEE, WILLIAMSON COUNTY

SADIE WADE
REGISTER OF DEEDS