

This instrument prepared by:
John N. Popham
Harwell Howard Hyne Gabbert & Manner, P.C.
1800 First American Center
Nashville, TN 37238

EXECUTION COPY

BK 1485 PG 992

MASTER DEED AND BYLAWS
FOR
PRESCOTT PLACE CONDOMINIUMS

THIS MASTER DEED AND BYLAWS FOR PRESCOTT PLACE CONDOMINIUMS is made and entered into by FIELDSTONE FARMS DEVELOPMENT, INC., a Delaware corporation (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of certain unimproved real property located in Williamson County, Tennessee, and more particularly described on the Final Plat of Fieldstone Farms, Section I, Revision One, Resubdivision of Lot 1364, of record in Plat Book 24, page 36, Register's Office for Williamson County, Tennessee, a description of which is attached hereto as Exhibit A (the "Entire Tract"); and,

WHEREAS, Declarant desires to develop the Entire Tract as a residential community and to establish, develop and construct, or cause to be constructed, thereon a single-family residential condominium project; and,

WHEREAS, Declarant presently desires to submit a portion of the Entire Tract (as hereinafter described, the "Parcel"), together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto, to the provisions of the Horizontal Property Act of the State of Tennessee in order to establish a horizontal property regime thereon and construct or cause to be constructed thereon, in phases, a single family, residential condominium project to be known as "Prescott Place Condominiums", consisting of certain attached and detached condominium units (as hereinafter described, the "Units") together with certain private streets, driveways, walkways, amenities and other improvements, all as shown on the Plan (as hereinafter defined), which condominium project will initially contain a total of forty (40) Units; and,

WHEREAS, Declarant presently contemplates that the Units comprising the condominium project to be known as "Prescott Place Condominiums" will consist of three typical Unit styles and floor plans which are designated Cottage Units, Courtyard Units and Villa Units (as each is hereinafter defined and described), each in varying numbers and each having their own Limited Common Elements (as hereinafter defined) appurtenant to and serving such Units; and

WHEREAS, Declarant further desires to establish for its own benefit, and for the mutual benefit of all future owners or occupants of the Parcel, or any part thereof and any additions thereto, certain rights, easements and privileges in, over and upon the said premises, and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Parcel, or any part thereof and any additions thereto, and the single family residential community to be developed thereon; and,

WHEREAS, the total number of Units to be situated on the Parcel and contained within the condominium project to be known as "Prescott Place Condominiums" at the time of the initial recording of this Master Deed will be forty (40) Units as shown and numbered on the Plan; and

WHEREAS, Declarant intends to reserve the right, but shall not be obligated, to expand the horizontal property regime established hereby in accordance with the general plan of development for Prescott Place Condominiums by submitting additional portions of the Entire Tract, together with all buildings, structures, improvements and other permanent fixtures of whatever kind thereon, to the provisions, rights, easements, privileges, restrictions and obligations of this Master Deed and Bylaws so that as a result the condominium project to be known as "Prescott Place Condominiums" may ultimately contain up to a total of two hundred and six (206) Units.

NOW, THEREFORE, for the purposes set forth above, Declarant hereby declares as follows:

1. Definitions. As used herein, unless the context otherwise requires:
 - (a) "Act" means the "Horizontal Property Act" of the State of Tennessee (Tennessee Code Annotated, Section 66-27-101, et seq.), as the same may be from time to time amended.
 - (b) "Association" means Prescott Place Homeowners' Association, a Tennessee not-for-profit corporation.
 - (c) "Board" means the Board of Directors of the Association.
 - (d) "Builder" shall mean Fox Ridge Homes, Inc., a Tennessee corporation, which intends to take title to one or more of the Units shown on the Plan under agreement with the Declarant for the purpose of development and sale in the ordinary course of its business and shall include any successor person or entity so designated in writing by Declarant as "Builder" (which designation shall be effective upon its recording in the Register's Office to Williamson County, Tennessee) who takes title to one or more of the Units shown on the Plan or other portion of the Property under agreement with the Declarant for the purpose of development and sale in the ordinary course of business. At the time of the recording of this Master Deed, it is not intended that the Declarant itself will build and construct the Cottage, Villa and Courtyard Units described herein. In the event that in the future the Declarant itself builds or constructs any of such Cottage, Villa or Courtyard Units, then the term "Builder", as used herein, shall be deemed to mean and include the Declarant as to such Cottage, Villa or Courtyard Units so built or constructed by the Declarant.
 - (e) "Building" shall mean any building or buildings of one or more floors located on the Parcel and forming a part of the Property and containing two or more Units. When more than one Building is located on the Parcel, then the word Building shall be used in the plural context. The "Building" or "Buildings" are located or to be located as shown on the Plan.
 - (f) "Bylaws" means the Bylaws of the Association attached hereto as Exhibit D and made a part hereof, as the same may be amended from time to time. For purposes of the Act, all provisions contained in the body of this Master Deed dealing with the administration and maintenance of the Property, or other matters which the Act provides are to be dealt with by the Bylaws, shall be deemed to be part of the Bylaws.
 - (g) "Common Elements" means all of the Property except for the Units, and, without limiting the generality of the foregoing, shall include the following, except as otherwise herein provided or stipulated:
 - (i) The Parcel;
 - (ii) All foundations, party walls, bearing walls and columns, roofs;

- (iii) All yards and gardens, except as otherwise herein provided or stipulated;
 - (iv) All compartments or installations of central services such as power, light, gas, water, sewer, telephone, cable television, including master meters, and the like;
 - (v) All mail boxes, landscaping and, in general, all improvements, devices or installations existing for the common use and benefit of the Unit Owners;
 - (vi) All drives, access roads, parking areas and open spaces on the Parcel as shown on the Plat;
 - (vii) All roads, driveways, walkways, sidewalks, trails, paths, entrances and exits for ingress and egress to and from, over and across, the Parcel and to and from the Units; provided, however, that the term "roads" as used herein shall mean and refer only to private roads serving the Parcel and not to any roads that have been publicly dedicated to and accepted by any governmental body;
 - (viii) All utility lines, pipes, ducts, wiring and conduits (except those located entirely within a Unit and serving only such Unit);
 - (ix) Any common walls or fences;
 - (x) All other elements of any Building desirable or rationally of common use or necessary to its existence, upkeep or safety; and
 - (xi) Generally, all land, devices, improvements, structures, installations or any other elements or part of the Property that are rationally for the common use and benefit of all Unit Owners or necessary to the existence, upkeep and safety of the horizontal property regime established by this Master Deed.
- (h) "Master Deed" means this instrument by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Master Deed as amended from time to time.
- (i) "Declarant" means Fieldstone Farms, Inc., a Delaware corporation, and its successors and assigns, provided such successors and assigns are designated in writing by Declarant as a successor or assign of the rights of Declarant set forth herein, which designation shall be effective upon its recording in the Register's Office of Williamson County, Tennessee. Declarant may and shall have the right to assign all or a portion of its rights, powers, easements, privileges, duties and obligations under this Master Deed to the Builder or any other person or entity in connection with the development of appropriate portions of the Parcel and the construction and sale of Units thereon, including but not limited to its development rights, duties and obligations, rights to Class B membership and the voting rights as a Class B member of the Association described in Paragraph 5(b) hereof, its rights, privileges, duties and obligations regarding assessments described in Paragraph 9(d) hereof, and the easements and rights described in Paragraph 17 hereof. Any such designation and/or assignment by Declarant may, by its terms, (i) be for specific designated purposes, (ii) be limited in application to specified portions of the Property, or (iii) be for all purposes, and may be subject to such limitations and such reservations as Declarant may provide in such designation and/or assignment. In the event of a partial assignment by Declarant of its rights, powers, easements, privileges, duties and obligations hereunder, the assignee shall not be deemed the Declarant, but may and shall have the right to exercise such rights, powers, easements and privileges

of the Declarant specifically assigned to it. Any assignment by Declarant of its right, powers, easements, privileges, duties and obligations hereunder may be made on a non-exclusive basis.


- (j) "Development Period" means the period of time commencing on the date of the recording of this Master Deed and ending on the day that is the earlier to occur of (i) the day that is one hundred twenty (120) days after the date on which at least seventy-five percent (75%) of the total number of Units contained or to be contained within the horizontal property regime established hereby, as the same may be from time to time increased and expanded to include additional Units as provided in Paragraph 32, below, have been conveyed to the initial purchaser thereof, or (ii) the day that is seven (7) years after the first conveyance of a Unit to the initial purchaser thereof by Declarant, or (iii) any date prior to the dates specified in clauses (i) and (ii) of this sentence on which Declarant, in its sole discretion, elects to terminate the Development Period by calling the First Annual Meeting (as defined by the Bylaws). For purposes of determining the commencement of the Development Period under this subparagraph (j), the term "initial purchaser" shall not be deemed to include a Builder who acquires title to one or more Units from the Declarant for purposes of development and sale.
- (k) "Delinquency Interest Rate" shall mean an annual interest rate from time to time established by the Board; provided however, that in no event shall the Delinquency Interest Rate exceed the maximum contract rate of interest from time to time allowed to be charged under applicable law.
- (l) "Entire Tract" shall mean the real property shown and described on Exhibit A attached hereto.
- (m) "Eligible Mortgage Holder" means a First Mortgagee of a Unit who has submitted a written request to the Association for notice from the Association of certain matters or proposed actions requiring the consent or approval of, or that notice be given to, a specified percentage of Eligible Mortgage Holders as set forth in this Master Deed and the Bylaws, which request shall include the name and address of the Eligible Mortgage Holder, notification that it holds or has insured or guaranteed, as the case may be, a first mortgage or deed of trust on a Unit, and the number or address of the Unit in question. "First Mortgagee" means any bank, trust company, savings bank, savings and loan association, mortgage service company, credit union, real estate investment trust, pension fund or other institutional lender or investor that is the record owner and holder of a first mortgage or deed of trust on a Unit and any insurer or governmental guarantor of such first mortgage or deed of trust. When more than one person or entity holds an interest as a First Mortgagee in any one Unit, whenever the consent or approval of a specified percentage or number of First Mortgagees or Eligible Mortgage Holders is hereinafter required the vote with respect to such Unit shall be as they determine, but in no event shall there be more than one vote with respect to such Unit, any consent or approval of a specified percentage of Eligible Mortgage Holders or First Mortgagees required hereunder being based upon one vote for each Unit upon which a first mortgage or deed of trust is owned.
- (n) "Limited Common Elements" means all Common Elements contiguous to and serving exclusively a single Unit, or one or more, but fewer than all, of the Units, as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved exclusively to the lawful Unit Owners or Occupants of such Unit or Units either in this Master Deed, on the Plan, or by the Board.
 - (i) Without limiting the generality of the foregoing, the Limited Common Elements for each Cottage Unit (the "Cottage Limited Common Elements")

shall include all of the Common Elements located and situated within the boundaries of the Maintenance Area within which each Cottage Unit is located as shown on the Plan, specifically including the separate condensing units, HVAC equipment, utility meter, and water heater located within or adjacent to the Unit and servicing only such Unit; pipes, ducts, wiring and conduits located entirely within the Unit and serving only such Unit; any balcony, terrace, stoop, patio, and the fenced-in patio, yard or garden area to which there is direct access from the interior of the appurtenant Unit, any fencing enclosing such balcony, terrace, stoop, patio or yard area, and such portions of the perimeter walls, floors, ceilings, doors, vestibules, windows screens, and entry ways, the walk and driveway located within the boundaries of the Maintenance Area, and any other fixtures and structures designed to serve the Unit located outside the boundaries of such Unit but within the boundaries of the Maintenance Area within which the Unit is located.

- (ii) Without limiting the generality of the foregoing, the Limited Common Elements for each Courtyard Unit and Villa Unit (the "Courtyard Limited Common Elements" or the "Villa Common Elements", as the case may be) shall include, but shall not be limited to, the separate furnace, air conditioner, and water heater located within or adjacent to a Unit or adjoining Units and servicing only such Unit or Units; pipes, ducts, wiring and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units; any balcony, terrace, stoop, patio, or fenced-in yard area to which there is direct access from the interior of an appurtenant Unit, and any fencing enclosing such balcony, terrace, stoop, patio or yard area; and, such portions of the perimeter walls, floors, ceilings, doors, vestibules, windows, screens and entryways, and any other fixtures and structures designed to serve a single Unit or adjoining Units but located outside the boundaries of such Unit or Units. The Limited Common Elements for each Courtyard Unit shall include the fenced in patio and yard area located at the front of each Courtyard Unit and the front yard located within the area (the "Front Yard Area") bounded by the exterior front wall of the Unit, the back face of the sidewalk (or back face of the curb, if no sidewalk) for the street on which the Unit is located and faces, and the extension of each of the side boundaries of the Unit along parallel lines perpendicular to its exterior front wall to the back face of the sidewalk or curb, as applicable, together with and porch, the walk and driveway located within the boundaries of such Front Yard Area, which, except for variances shown on Exhibit H attached hereto and incorporated herein by this reference, is as shown on the drawing of a typical Courtyard Unit attached hereto as Exhibit F and incorporated herein by this reference. The Limited Common Elements for each Villa Unit shall include, the fenced in patio and landscaped area located at the rear of the Unit and the front yard located within the area (the "Front Yard Area") bounded by the exterior front wall of the Unit, the back face of the sidewalk (or back face of the curb, if no sidewalk) for the street on which the Unit is located and faces, and the extension of each of the side boundaries of the Unit along parallel lines perpendicular its exterior front wall to the back face of the sidewalk or curb, as applicable, together with the porch, walk and driveway located within boundaries of such Front Yard Area, which, except for variances shown on Exhibit H attached hereto and incorporated herein by this reference, is as shown on the drawing of a typical Villa Unit floor plan attached hereto as Exhibit G and incorporated herein by this reference.

- (o) "Maintenance Area" shall mean the hatched area, the boundaries of which are shown on the Plan, within which the Unit Envelope for each Cottage Unit is located as shown on the Plan. The lines delineating the Maintenance Area are not lot lines, and the Maintenance Area is not a subdivision lot, but is a portion of the Parcel, the boundaries of which are delineated on the Plan solely for the purposes of establishing the boundaries of the Limited Common Elements contiguous to and serving exclusively the Cottage Unit located within the boundaries of the Maintenance Area, the maintenance and upkeep of which shall be the responsibility of, and the enjoyment, benefit and use of which is reserved exclusively to, each Cottage Unit Owner as elsewhere provided herein.
- (p) "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.
- (q) "Parcel" means the parcel or tract of real estate described on Exhibit B, which is attached to this Master Deed and made a part hereof, and which is being submitted hereby to the provisions of this Master Deed and the Act, together with such additional parcels or tracts of real estate as may be submitted to this Master Deed and the provisions of the Act pursuant to the Declarant's right to expand the horizontal property regime established hereby as set forth in Paragraph 32, below.
- (r) "Person" or "person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.
- (s) "Plan" means the plan or survey of the Parcel presently submitted to this Master Deed and the provisions of the Act which is attached hereto as Exhibit C and made a part hereof, and which shows the Maintenance Area, Unit Envelopes, and the number and location of each Unit, as applicable, together with such other plans or surveys as may be submitted to this Master Deed and the provisions of the Act pursuant to the Declarant's right to expand the horizontal property regime established hereby as set forth in Paragraph 32, below. Each Plan shall provide information as to the number, location, area and any other data necessary for identification of each Unit. No dedication to the public is intended by the recording of any Plan with this Master Deed.
- (t) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures erected, constructed or contained therein or thereon, including all Units contained therein and all easements, rights and appurtenances belonging to the Units, and also including all improvements, structures, fixtures, furnishings and equipment intended for the mutual use, benefit or enjoyment of Unit Owners, submitted to the provisions of this Master Deed and the Act, together with such additional Property as may be submitted to this Master Deed and the provisions of the Act pursuant to the Declarant's right to expand the horizontal property regime established hereby as provided by Paragraph 32, below.
- (u) To "record" or "recording" means the recording of an instrument in the Register's Office for Williamson County, Tennessee.
- (v) "Rules and Regulations" means the rules and regulations of the Association concerning the use of the Units and the Common Elements, as adopted from time to time by the Board in accordance with the Master Deed and Bylaws.
- (w) "Unit" means and refers to any part of the Property intended for independent ownership, use and occupancy as a single family residence including (i) one (1) or more cubicles of air at one or more levels of space; or (ii) one (1) or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a building; or

(iii) a separate free standing building of one (1) or more floors; and (iv) any part of open space upon the Property clearly delineated for independent use adjacent to and in connection with the use of any of the foregoing. Each of the Units is separately shown, numbered and designated on the Plan. The term "Unit" or "Units" when used herein will include, individually and collectively, as the case may be, the Cottage Units, Village Units and Courtyard Units as hereinafter defined and described and, prior to the construction of the as-built boundaries of such Units, the space filled with air located above the physical surface of the land and within the vertical boundaries defined by the boundary lines of each Unit Envelope shown on the Plan, extended upwards, which space is intended for independent ownership, use and occupancy as a single family residence. In no event shall any Unit consist of any portion of the land comprising the Parcel which shall at all times remain undivided Common Elements. Any Unit may be jointly or commonly owned by more than one person. It is intended that the term "Unit", as used in this Master Deed, shall have the same meaning as the term "Apartment" as used in the Act.

- (x) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit and of the undivided percentage interest in the Common Elements appurtenant thereto, and shall be deemed the same as "co-owner" under the Act, but "Unit Owner" shall not mean the mortgagee or beneficiary of a recorded mortgage or deed of trust who holds a lien solely for security purposes and does not have possession of the Unit. Unless specifically provided otherwise herein, Declarant shall be deemed a Unit Owner so long as it is the legal title holder of any Unit. Unless specifically provided otherwise herein, Builder shall be deemed a Unit Owner so long as it is the legal title holder of any Unit.
- (y) "Unit Envelope" means the shaded area the boundaries of which are delineated on the Plan which, in the case of Cottage Units, is the intended building site for the separate, free-standing structure of one or more floors designated and intended to be the Cottage Unit which is to be located within said Unit Envelope (the "Cottage Unit Envelope"), or, in the case of Courtyard Units and Villa Units, is the intended building site for the attached structures of one or more floors designated and intended to be the Courtyard Units or Villa Units, as the case may be, which are to be located within a Building (the "Courtyard Unit Envelope" or the "Villa Unit Envelope," respectively). The lines delineating a Unit Envelope are not lot lines, and the Unit Envelope is not a subdivision lot, but is a portion of the Parcel, the boundaries of which are delineated on the Plan solely for the purposes of establishing the boundaries of each Unit. The land comprising the Parcel shall remain undivided and is a Common Element. In the event of any encroachment outside of the Unit Envelope as shown on the Plan and onto the adjoining Common Elements by a Unit as built by the Builder, the boundaries of the Unit Envelope on which such Unit is situated shall be automatically extended to include that part of the Unit located within such encroachment. In the event that the actual area of any Unit as built by the Builder is less than the area encompassed by its Unit Envelope as shown on the Plan, then the boundaries of the Unit Envelope on which such Unit is situated shall be automatically reduced where applicable so that the Unit Envelope for such Unit will correctly delineate the actual, as-built Unit Envelope for the Unit in order to establish the actual, as-built boundaries of the Unit and any portion of the former Unit Envelope remaining outside the actual, as-built boundaries of the Unit will become and be deemed to be Common Elements (and, if applicable, a part of the Limited Common Elements contiguous to and serving the Unit in question).
- (z)  "Cottage Unit" means the separate free-standing building of one or more floors, and the enclosed spaces contained therein, to be located and situated above the surface of the land within each Cottage Unit Envelope as shown on the Plan, which is

designated and intended to be used and occupied as a single-family residence. A Cottage Unit shall include, but not be limited to: the foundation, walls, floors, ceilings, roof, pipes, ducts, electrical wiring and conduits located entirely within the building or adjoining the building and serving only such building; separate furnace, air conditioner, and water heater located within the building; and balconies, porches, patios, carports, or garages located within the building or attached to the building and serving only such building and the air space encompassed by and located within the perimeter walls, floors and ceilings of the building.

- (aa) "Courtyard Unit" means the enclosed space consisting of one or more rooms occupying all or part of a floor or floors in a Building and located and situated within each Courtyard Unit Envelope as shown on the Plan, which enclosed space is not owned in common with the Unit Owners of the other Courtyard Units in the Building. The boundaries of each Courtyard Unit shall be and are the unfinished interior surfaces of its perimeter walls, ground floor and attic ceiling, and a Courtyard Unit includes both the portion of the Building so described and the air space so encompassed, excepting any Limited Common Elements. All lath, furring, wall board, plaster board, plaster, paneling, tiles, wallpaper, paint, carpet, windows, exterior doors, finished flooring and any other materials constituting any part of the finished surfaces of the perimeter walls, floors and ceilings of a Courtyard Unit are part of that Unit, and all other portions of the walls, floors and ceilings are a part of the Limited Common Elements.
- (bb) "Villa Unit" means the enclosed space consisting of one or more rooms occupying all or a part of a floor or floors in a Building and located and situated within each Villa Unit Envelope as shown on the Plan, which enclosed space is not owned in common with the Unit Owners of the other Villa Units in the Building. The boundaries of each Villa Unit shall be and are the unfinished interior surfaces of its perimeter walls, ground floor and attic ceiling, and a Villa Unit includes both the portion of the Building so described and the air space so encompassed, excepting any Limited Common Elements. All lath, furring, wall board, plaster board, plaster, paneling, tiles, wallpaper, paint, carpet, windows, exterior doors, finished flooring and any other materials constituting any part of the finished surfaces of the perimeter walls, floors and ceilings of the a Villa Unit are part of that Unit, and all other portions of the walls, floors and ceilings are a part of the Limited Common Elements.
- (cc) "Section Limited Common Elements" shall mean all Limited Common Elements contiguous to and serving exclusively the Units owned by the Unit Owners of each of the three separate types of Units in the Development, which for Cottage Unit Owners shall mean and refer to all of the Cottage Limited Common Elements, for Courtyard Unit Owners shall mean and refer to all of the Courtyard Limited Common Elements, and for Villa Unit Owners shall mean and refer to all of the Villa Limited Common Elements.
- (dd) "Cottage Unit Owner", "Courtyard Unit Owner", or "Villa Unit Owner" shall mean, respectively, any Unit Owner who owns a Cottage Unit, any Unit Owner who owns a Courtyard Unit, and any Unit Owner who owns a Villa Unit.

2. Submission of Property to the Act: Declarant/Builder Responsibilities.

(a) Declarant, as the legal title holder in fee simple of the Parcel, does hereby submit and subject the Property to the provisions of the Act and this Master Deed, and does hereby establish a horizontal property regime to be known as PRESCOTT PLACE CONDOMINIUMS, which horizontal property regime may be expanded pursuant to the terms of Paragraph 32 hereof, and hereby declares that the Property shall be held, sold and enjoyed subject to the easements, restrictions, covenants, and conditions of this Master Deed, which are for the purpose of protecting the value and desirability of the Property, and which shall run with the

land and be binding upon and inure to the benefit of all parties now or hereafter having any right, title or interest in the Property or any part thereof.

(b) Declarant shall have and hereby reserves all development rights with respect to all of the Property, including without limitation the right to construct and complete, or cause to be constructed and completed, the Property and the right to create Units and Common Elements, including Limited Common Elements, on the Property, subject to the provisions of the Act. Declarant presently contemplates that the development and construction of the Units described herein, together with the installation and construction of the driveways, walkways, patio areas and fencing appurtenant to the Units, utility service extension from utility mains to the Units, sidewalks other than the perimeter sidewalks, and the landscaping for the Units and certain common landscaping will be the responsibility of the Builder. The installation and construction of all common infrastructure, including roads, paving, curbing, drainage, water, sewer, telephone, gas, cable and underground electrical utility services, street lighting, perimeter sidewalks, irrigation, master meters, signage and common landscaping not performed by Builder will be the responsibility of the Declarant. As previously noted in Paragraph 1(i), above, Declarant may and shall have the right to assign all or a portion of its rights, powers, easements, privileges, duties and obligations under this Master Deed to Builder in connection with the development of the Parcel and the construction and sale of the Units described herein, including without limitation its development rights, rights to Class B membership and the voting rights as a Class B member of the Association described in Paragraph 5(b) hereof, its rights, privileges, duties and obligations regarding assessments described in Paragraph 9(d) hereof, and the easements and rights described in Paragraph 17 hereof. Each grantee of a Unit, by the acceptance of a deed of conveyance to a Unit, recognizes this contemplated division of responsibilities between Declarant and Builder and the respective rights, powers, easements, privileges, duties and obligations of Declarant and Builder with respect thereto, including without limitation those assigned by Declarant to Builder in accordance with the terms of this Master Deed, and accepts said conveyance subject to the same.

3. Plan. The Plan and other information set forth on Exhibit C attached hereto, which is incorporated herein by this reference thereto, sets forth the numbers, areas and location of each Unit and other data necessary for their identification.

4. Units. Each Unit is separately designated, numbered and located as shown on the Plan and the legal description of each Unit shall consist of the identifying number or symbol of each Unit as shown on the Plan. Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a Unit by its identifying number as shown on the Plan and every description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plan, court decree or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plan. The initial number of Units created and established by this Master Deed shall be forty (40), as numbered and located on the Plan. The total number of Units contained within the horizontal property regime established hereby may be increased from time to time by amendment to this Master Deed, or as a result of the exercise by Declarant of its right to expand the horizontal property regime established hereby up to a total of two hundred and six (206) Units; provided, however, that nothing contained herein shall be deemed to obligate the Declarant to so increase the total number of Units, or be a warranty or representation that Declarant shall do so, such right being at Declarant's sole and absolute discretion.

5. Association of Unit Owners and Administration and Operation of the Property.

(a) Homeowners' Association. There has been or will be formed an Association having the name "PRESCOTT PLACE HOMEOWNERS' ASSOCIATION", a Tennessee not-for-profit corporation, which Association shall be the governing body for all Unit Owners, and shall be operated to provide for the maintenance, repair, replacement, administration, operation and care of the Property, as provided in the Act, this Master Deed and the Bylaws. The Bylaws for the Association shall be the Bylaws attached to this Master Deed as Exhibit D and made a part hereof, as the same may be from time to time amended. The Board of Directors of the Association shall be elected and serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All

activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of the Unit Owners, in accordance with the provisions of this Declaration and the Bylaws. Each Unit Owner shall be a member of the Association. Membership in the Association shall be appurtenant to and may not be separated from ownership of a Unit. A Unit Owner's membership in the Association shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association.

(b) Voting Rights. During the Development Period, the Association shall all have two (2) classes of voting membership:

- (i) Class A. The Class A members for the Association shall be all Unit Owners, with the exception, during the Development Period, of (A) the Declarant, (B) any successor Declarant, and (C) any assignee of the Declarant to whom Declarant has assigned rights to Class B membership as provided in Paragraph 1(i), above. Each Class A member of the Association shall be entitled to one (1) vote for each Unit owned.
- (ii) Class B. The Class B members for the Association shall be (A) the Declarant, (B) any successor Declarant, and (C) any assignee of the Declarant to whom Declarant has assigned rights to Class B membership as provided in Paragraph 1(i), above, each of whom shall be entitled to four (4) votes for each Unit shown and numbered on the Plan owned by Declarant, or such successor Declarant, or assignee of Declarant.
- (iii) Upon the expiration or termination of the Development Period, said Class B membership shall be converted to Class A membership and thereafter the Association have one class of voting membership, with each Unit Owner, including the Declarant, any successor Declarant, or assignee of the Declarant to whom the Declarant has assigned rights to Class B membership, being entitled to one (1) vote for each Unit owned.
- (iv) When more than one person holds an ownership interest in any one (1) Unit, all such persons shall be members of the Association for the type of Unit in question and the vote for such Unit shall be as they determine, but in no event shall more than the votes set forth above be cast with respect to such Unit.

(c) Management of Property. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, and to manage the affairs of the Association, subject to the provisions of subparagraph 5(d) below; provided that any such management agreement must be for a fixed term and must contain termination provisions permitting termination without payment of any penalty or an advance notice of more than ninety (90) days. The cost of such services shall be a common expense, as defined in Paragraph 9, below. The Board shall require that such Managing Agent have fidelity insurance coverage on its employees handling Association funds in at least the same amounts as required of the Association under Paragraph 12(f), below.

(d) Initial Management Contract. Prior to the appointment of the First Board as provided in the Bylaws, the Declarant, on behalf of the Association, may employ a management corporation to act as Managing Agent for the Property; provided, however, that such contract may be terminated, without penalty, at will, upon not more than ninety (90) days' notice, and for cause at any time upon not more than thirty (30) days' notice, to such Managing Agent which termination rights may be exercisable by the Association at any time, and shall not be of a duration in excess of one (1) year. Such Managing Agent shall be required to have fidelity insurance coverage on its officers, agents and employees handling Association funds in at least the same amounts as required of the Association under Paragraph 12(f), below.

(e) Non-Liability of Directors, Board, Officers and Declarant. To the extent permitted by law, neither the directors, the Board, or officers of the Association, nor the Declarant, shall be personally liable to Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. Unit Owners shall indemnify and hold harmless each of the directors, the Board, the officers, or the Declarant, and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of Article VIII of the Bylaws.

6. Ownership of the Common Elements. Each Unit is hereby allocated an undivided percentage interest in the Common Elements, which percentage shall be the result of a fraction, the numerator of which shall be equal to the number one and the denominator of which is the total number of Units shown on the Plan. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with the percentage of interest allocated to each Unit. The percentage of interest in the Common Elements allocated to each Unit at the time of recordation of this Master Deed is as shown on Exhibit E attached hereto and made a part hereof. The assigned percentages of ownership interest set forth on Exhibit E shall remain constant unless hereafter changed in case of the expansion of the horizontal property regime established hereby as provided in Paragraph 32, below, or by a recorded amendment to this Master Deed consented to in writing by Unit Owners in accordance with Paragraph 20 hereof, or as otherwise provided in this Master Deed. The ownership of a Unit shall not be conveyed separate from the undivided interest in the Common Elements appurtenant to such Unit. The undivided interest in the Common Elements appurtenant to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title to that Unit. The Common Elements shall remain undivided and shall not be the subject of an action for partition. Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

7. Use of the Common Elements: Exclusive Use of Limited Common Elements.

(a) General Common Elements. Each and every Unit Owner shall have the right and easement to use the Common Elements (except for the Limited Common Elements and portions of the Property subject to leases made by or assigned to the Board) in common with all other Unit Owners, and as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner.

(b) Parking. Parking spaces within the Parcel that are not part of the Limited Common Elements contiguous to and serving exclusively a Unit shall be part of the Common Elements and shall be used by the Unit Owners in such manner and subject to such rules and regulations as the Board may prescribe and parking spaces not so used by Unit Owners may be rented or otherwise used in such manner as the Board may prescribe.

(c) Cottage Limited Common Elements. Each Cottage Unit Owner shall have the sole and exclusive right and easement to the use, benefit, occupancy and enjoyment of the Cottage Limited Common Elements serving his/her/its Unit alone that are located or situated within the boundaries of the Maintenance Area within which such Unit is located specifically including, without limitation, the sole and exclusive right and easement to the use, occupancy and enjoyment of any fenced-in yard or patio area to which there is direct access from the interior of the Unit and the front, side and rear yard area, contiguous to and serving the Unit located and situated within the boundaries of the Maintenance Area within which such Unit is located.

(d) Villa/Courtyard Limited Common Elements. Each Villa Unit Owner shall have the sole and exclusive right and easement to the use, benefit, occupancy and enjoyment of the Limited Common Elements contiguous to and serving only such Villa Unit. Each Courtyard Unit Owner shall have the sole and exclusive right and easement to the use, benefit, occupancy and enjoyment of the Limited Common Elements serving only such Courtyard Unit. Where Villa Limited Common Elements or the Courtyard Limited Common Elements, as the case may be, serve a number of Units, the Unit Owners so served shall have, together and

exclusive of any other Unit Owners, the right and easement to the use, benefit, occupancy and enjoyment of the Limited Common Elements serving such Units. Each Villa Unit and Courtyard Unit will have a fenced-in patio or yard area to which there is direct access from the interior of the Unit and which is a part of the Limited Common Elements contiguous to and serving that Unit. The Unit Owner of the Unit to which this fenced-in patio or yard area is appurtenant will have the sole and exclusive right to the use, occupancy and enjoyment thereof. Likewise, each Villa Unit Owner and Courtyard Unit Owner shall have the sole and exclusive right and easement to the use, benefit and occupancy of the Front Yard Area between the Unit in question and the street on which the Unit is situated that is part of the Limited Common Elements contiguous to and serving the Unit as defined hereinabove.

(e) Delegation of Rights. Such rights to use the Common Elements and the Limited Common Elements shall extend not only to each Unit Owner, but also to his family members, tenants, invitees and licensees.

(f) Limitation on Use. Such rights to use the Common Elements and the Limited Common Elements provided for herein shall be subject to and governed by the provisions of the Act, this Master Deed, the Bylaws, and the Rules and Regulations from time to time adopted and approved by the Association. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of this Master Deed and Bylaws. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions and regulations as the Board may adopt or prescribe.

8. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, the use, right to use or maintenance of any Limited Common Elements, or any other questions of interpretation or application of the provisions of this Master Deed or the Bylaws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners.

9. Assessment by the Association for Common Expenses; Use of Assessments; Declarant and Builder Responsibility; Lien of Assessments; Reserve Fund; Working Capital Fund.

(a) Assessments. Each Unit Owner, by acceptance of a deed therefor, is deemed to covenant and shall pay his proportionate share of the expense of the administration and operation of the Common Elements, including any Limited Common Elements, and of any other expenses of the Association incurred in conformance with this Master Deed and Bylaws (which expenses are herein sometimes referred to as "common expenses") including, but not limited to, the maintenance and repair of the Common Elements, any Limited Common Elements, and any and all replacements and additions thereto.

(b) Use of Assessments. The Association shall be responsible for, and the assessments levied by the Association shall be used:

- (i) To promote the recreation, health, safety, and welfare of the Unit Owners;
- (ii) To provide for (A) the maintenance, repair and replacement of, and additions to the Common Elements including but not limited to drainage facilities, walkways, and sidewalks; the landscaping and lawn maintenance (including mowing) for the areas shown on Exhibit I attached hereto and incorporated herein by this reference exclusive of (i) the entrance area, areas along Fieldstone Parkway, and the open space at the end of Prescott Place shown on said Exhibit I as being maintained by the Fieldstone Farms Homeowners Association, Inc. (the "Master Association") and (ii) the areas within the boundaries of the Maintenance Area for each Cottage Unit; and (B) the maintenance, repair and replacement of the private roads and rights-of-way serving the Property in the form of street lighting, sidewalk maintenance, paving, curbing, striping, signage or other roadbed

maintenance for the areas shown on Exhibit J attached hereto and incorporated herein by this reference;

- (iii) To provide for the maintenance, repair and replacement of, and additions to the Section Limited Common Elements as described on the maintenance and expense matrix attached hereto as Exhibit K and incorporated herein by this reference which are not the responsibility of the Unit Owners or the Master Association as shown thereon;
- (iv) To pay the fees of any management agent the Association may employ to manage the affairs of the Association; and,
- (v) To pay such other reasonable and necessary expenses of the Association required or reasonably related to the carrying out of the rights, duties and responsibilities of the Association as provided by the Master Deed, the Bylaws or the Act.

(c) Commencement and Share of Assessments. Except as to Units owned by the Declarant or Builder, commencing with the date of ownership of his Unit each Unit Owner shall be responsible for paying his share of the common expenses of the Association in the same proportion as his percentage of ownership in the Common Elements (except with respect to the Section Limited Common Element as hereinafter provided). Assessments for the payment of common expenses of the Association shall be in such amounts and shall be payable at such times as determined in the manner provided in the Bylaws. No Unit Owner shall be exempt from payment of his proportionate share of the common expenses of the Association by waiver or nonuse of enjoyment of the Common Elements or by abandonment of his Unit.

Except as to Units owned by the Declarant or Builder, commencing with the date of ownership of his Unit, each Unit Owner shall be responsible for paying a percentage of the common expenses of the Association attributable to the Section Limited Common Elements serving his Unit. Except with respect to the cost of the insurance for Limited Common Elements, Buildings and Units which shall be determined as provided in Paragraph 12, below, each Unit Owner's percentage (hereinafter referred to as the "Limited Common Element Maintenance Percentage") of the common expenses of the Association attributable to the Section Limited Common Elements serving his Unit shall be a fraction, the numerator of which shall be equal to the number one and the denominator of which is the total number of Units owned by the Unit Owners of the Units that are of the similar type (i.e., Cottage Units, Courtyard Units or Villa Units) as the Unit in question. Assessments for the payment of the common expenses attributable to the Section Limited Common Elements serving each Unit shall be in such amounts and shall be payable at such times as determined in the manner provided in the Bylaws. No Unit Owner shall be exempt from payment of his percentage of the common expenses of the Association by waiver or nonuse of enjoyment of the Section Limited Common Elements administered, operated and maintained by the Association or by abandonment of his Unit.

(d) Declarant and Builder Responsibility: Commencement and Payment of Assessments by Declarant and Builder. Except for its responsibilities as a Unit Owner as provided herein, Declarant and Builder shall not have any responsibility for the maintenance, repair or replacement of any part of the Common Elements or Limited Common Elements after the date this Master Deed is recorded which is the responsibility of the Association; provided, however, in the event Declarant or Builder expends any of its own funds for the repair, replacement or maintenance of any of the Common Elements or Limited Common Elements which is the responsibility of the Association, Declarant or Builder shall be entitled to a credit for such sums against any common expenses Declarant or Builder, respectively, as the case may be might be required to pay either then or in the future by virtue of being a Unit Owner. Anything herein to the contrary notwithstanding, unless and until the Declarant or Builder elects to pay assessments for each Unit owned by Declarant or Builder in the same amount and manner as other Unit Owners in a writing submitted to the Association, the Declarant or Builder shall not be required to pay any monthly or other assessments for common expenses, and the assessments provided for herein shall not commence, in respect of Units owned by the Declarant or Builder until the improvements to the Unit are complete and the Unit is ready for occupancy; provided, however, that subsequent to the date of recording of this Master Deed but prior to the expiration or termination of the

Development Period, Declarant and Builder shall from time to time fund any deficit in the operations of the Association after application of available funds from assessments for common expenses in respect of Units previously sold. Anything herein to the contrary notwithstanding, after the expiration or termination of the Development Period, and prior to such time as the Declarant or Builder so elects to do otherwise, the liability of Declarant and Builder for payment of assessments for common expenses in respect of Units owned by Declarant or Builder, as the case may be, shall not exceed an aggregate amount equal to the lesser of (i) the amount of the assessments for such Units as such assessments accrue and become payable, which shall commence, with respect to each such Unit owned by Declarant or Builder, as the case may be, when the improvements to such Unit are complete and such Unit is ready for occupancy, or (ii) the amount necessary from time to time to fund any deficit in the operations of the Association after application of available funds from assessments for common expenses in respect of Units previously sold. Provided, however, that both during and after the expiration or termination of the Development Period neither Declarant nor Builder will be obligated to pay any operating fund deficiencies that are due to non-payment of assessments by Unit Owners other than the Declarant or Builder and nothing contained in this paragraph shall be deemed to relieve or release any Unit Owner from the obligation of that Unit Owner to pay that Unit Owner's share of the assessments for common expenses. The obligation of the Declarant and Builder to fund any deficit provided for herein may be satisfied in the form of a cash substitute or by "in kind" contribution of materials and substances or a combination of services or materials with Declarant, Builder or other entities for the payment of some portion of the deficit. All "in kind" contributions of services and materials shall be valued at the reasonable market value of such service or materials. The obligation of the Declarant and Builder to fund any deficit provided for herein shall be a charge against and a lien upon Units owned by the Declarant and Builder and shall be enforceable in the same manner as the lien for annual assessments provided for herein. Upon the election of the Declarant or Builder to pay assessments for each Unit owned by the Declarant or Builder in the same amount and manner as the other Unit Owners, the obligation of the Declarant or Builder, as the case may be, to fund any deficit in the operations of the Association thereafter accruing shall terminate and be of no further force and effect.

(e) Lien of Assessments. If any Unit Owner shall fail to make payment when due of assessments for common expenses of the Association as provided for herein, the amount thereof, together with any reasonable late charge established by the Board, and together with interest at the Delinquency Interest Rate from and after said assessments become due and payable, together with reasonable attorney's fees and costs incurred by the Association in question in the collection thereof or the enforcement of the lien herein provided, shall constitute a continuing lien on the interest of such Unit Owner in the Unit and its percentage interest in the Common Elements against which the assessment is made, as provided in the Act. Each Unit Owner shall be personally liable for his portion of each assessment made while he is the owner of a Unit. The Association in question may file a statement of lien with respect to the Unit and may bring an action at law against the Unit Owner personally obligated to pay the same or foreclose the lien against the Unit, and there shall be added to the amount of such assessment the costs, including reasonable attorneys fees, of bringing such action or foreclosure. Except as otherwise provided Paragraph 10 below, the lien for non-payment of common expenses shall not be affected by any sale or transfer of the Unit and any sale or transfer of a Unit shall be subject to any such lien, and if the same is not paid by the Unit Owner thereof prior to any sale or transfer shall remain a lien against the Unit and shall be paid by the new Unit Owner thereof.

(f) Reserve Fund; Working Capital Fund. An adequate reserve fund for the maintenance, repair and replacement of items to be maintained, repaired or replaced by the Association pursuant to this Master Deed and the Bylaws shall be established and maintained by the Association, which fund shall be maintained out of the regular monthly assessments for common expenses. Additionally, a working capital fund shall be established for the initial months of the Property's operation equal to at least two (2) month's monthly assessments (or estimated monthly assessments, if not yet established) for each Unit. In order to assist the funding and establishment of these funds, an amount equal to at least three (3) month's monthly assessments for the Association to be held in said working capital and reserve funds shall be collected at the closing of the purchase and sale of a Unit to the initial purchaser thereof (exclusive of the initial sale of a Unit or Units by Declarant or Builder). Upon sale of a Unit by Declarant or Builder, as the case may be, to the initial purchaser thereof, Declarant or Builder, as applicable, will be entitled to receive a refund of and may reimburse itself for funds that it has paid or contributed, if any, to the working capital fund in respect of such Unit from the working capital funds collected with respect to such Unit when the Unit is sold. Such

payments collected at closing shall not be considered advance payments of monthly assessments, and except for refunds, if any, to the Declarant or Builder as herein provided, shall not be refundable. The working capital funds shall be maintained in a segregated account and Declarant and Builder may not use any working capital funds to defray any of their expenses, reserve contributions, construction costs or to make up any budget deficits.

(9) Default Assessments. All monetary fines, penalties, interest or other charges or fees levied against a Unit Owner pursuant to this Master Deed or the Bylaws, or any expense of the Association which is the obligation of a Unit Owner or which is incurred by the Association on behalf of the Unit Owner pursuant to this Master Deed or the Bylaws, and any expense (including without limitation attorneys' fees) incurred by the Association as a result of the failure of a Unit Owner to abide by the Master Deed, the Bylaws or the Rules and Regulations, constitutes an assessment which shall be the personal obligation of the Unit Owner and a charge against and lien upon his Unit, enforceable as provided in this Master Deed and the Bylaws.

10. Mortgages; Mortgage and Deed of Trust Protection. Each Unit Owner shall have the right, subject to the provisions herein, to mortgage his Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create, or cause to be made or created, from the date hereof, any mortgage deed of trust or other lien on or affecting the Property or any part thereof, except to the extent of his own Unit and its respective percentage interest in the Common Elements.

The lien for assessments payable by a Unit Owner which become due and payable on or after the date of recordation of a first mortgage or deed of trust on the Unit of such Unit Owner and its corresponding percentage in the Common Elements shall be subordinate to the lien of such recorded first mortgage or deed of trust, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the mortgagee or beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein other than as security, or forecloses its first mortgage or deed of trust. Any sale or transfer of the Unit pursuant to a foreclosure sale of such first mortgage or deed of trust shall not relieve the purchaser or transferee of such Unit at such foreclosure sale from liability for, nor the Unit so sold or transferred from, the lien of any assessments for common expenses thereafter becoming due. This paragraph shall not be amended, changed, modified or rescinded without the prior written consent of all recorded first mortgagees of Units or the beneficiaries thereunder of record.

Any delinquent common expense assessments that are extinguished by virtue of the foreclosure of, or other exercise of remedies under, any such first mortgage or deed of trust may be reallocated by the Board and assessed equally to all of the Units governed by the Association or in the case of assessments attributable to Section Limited Common Elements, equally to all of the Units that are of the similar type as the Unit in question, as the case may be, as a common expense.

11. Separate Real Estate Taxes and Utility Assessments. Real estate taxes shall be separately assessed to each Unit Owner for his Unit and its corresponding percentage interest in the Common Elements, as provided in the Act. In the event that such taxes for any year are not separately assessed to each Unit Owner, but rather are assessed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements, and, in said event, such taxes shall be a common expense.

Utility services for Units shall be separately metered, and all utility charges for Units shall be assessed to and shall constitute the sole responsibility of the respective Unit Owners thereof.

12. Association Insurance, Damage or Destruction, Reconstruction; Other Insurance.

(a) Casualty Insurance. The Association shall have the authority to and shall obtain insurance for all of the Common Elements (including the Limited Common Elements), the Buildings and the Units (exclusive of the additions within or improvements to the Units or Limited Common Elements by Unit

Owners and decoration of the Units, including but not limited to carpet, wallpaper, paint, cabinets, flooring, and plumbing and lighting fixtures) against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard multi-peril, all risk type, fire and extended coverage insurance for the full insurable current replacement cost of the property required to be insured by this subparagraph (a), and against such other hazards and for such amounts as are customarily covered with respect to condominium projects similar in construction, location and use, including all perils normally carried by the standard "all-risk" endorsement, where such is available, or as the Board may deem advisable. Such right and obligation of the Association shall be without prejudice to the right of each Unit Owner to insure his Unit on his own account for his own benefit. Current replacement cost shall be deemed the cost of restoring the property required to be insured by this subparagraph (a), or any part thereof, to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage may exclude land, foundation and excavation costs and other items normally excluded from such coverage. In the event the Property contains a steam boiler, such policy shall also contain a steam boiler endorsement for loss or damage from steam boiler equipment accidents in an amount not less than \$50,000 per accident per location (or such greater amount as deemed prudent based on the nature of the Property).

The insurance coverage required by this subparagraph (a) shall be written in the name of, and the proceeds thereof shall be payable to, the Association, for the use and benefit of, and as the trustee for, each of the Unit Owners and the holders of mortgages on each Unit, if any, as their interests may appear, and shall include a standard mortgagee clause or equivalent endorsement (without contribution) which is commonly accepted by private institutional mortgage investors in the area in which the Property is located and which appropriately names each Eligible Mortgage Holder or other holder of a first mortgage or deed of trust on a Unit of which the Association has been notified. Such policy shall contain, or have issued in connection therewith, a loss payable clause which shall provide that any proceeds due shall be paid to the Association (or its authorized representative or insurance trustee, as hereinafter described) as trustee for each Unit Owner and the holders of mortgages on each Unit, for the use and benefit of each Unit Owner and the holders of mortgages on each Unit, as their interests may appear, subject to the provisions of this Master Deed. The policy of insurance shall provide that it may not be canceled or substantially modified without at least thirty (30) days written notice to the Association and each of the mortgagees listed as a scheduled holder of a first mortgage in the policies. The policy of insurance shall be a "blanket" or "master" type of policy. The policy of insurance shall also provide, insofar as practicable, for recognition of any insurance trust agreement; a waiver of subrogation rights by the insurer against Individual Unit Owners; that the insurance is not prejudiced by the act or neglect of Unit Owners that are not in the control of the Association; that the policy is primary in the event any Unit Owner has other insurance covering the same loss; and such other coverages as are generally provided in the form of a "Special Condominium Endorsement" or its equivalent. The premiums for such insurance shall be a common expense of the Association payable in accordance with Paragraph 9, above; provided, however, that the premiums for such insurance attributable for each Cottage Unit and its Cottage Limited Elements, each Villa Unit and its Villa Limited Common Elements and the Building in which it is located, and each Courtyard Unit and its Courtyard Limited Common Elements and the Building in which it is located shall be separately billed to and paid by each Cottage Unit Owner, Villa Unit Owner and Courtyard Unit Owner, as the case may be, in an amount to be determined by the insurance company providing such insurance based upon the unit type of each Unit. If required by the insurance company, an amount equal to one (1) year's premium for such insurance on each Unit and its Limited Common Elements may be collected at the closing of the purchase of a Unit.

(b) Damage and Repair. Except as otherwise provided in this Paragraph 12, in the event of damage to or destruction of any Common Elements as a result of fire or other casualty covered by insurance proceeds, the Board shall, in its sole and absolute discretion, determine and, without intervention of any Unit Owner or the holders of mortgages on any Units, arrange for the prompt repair, restoration and reconstruction of the damaged portion of such Common Elements substantially in accordance with the original plans and specifications therefore. Where the Insurance indemnity is insufficient to cover the cost of such repairs, restoration and reconstruction, the deficit shall be paid by all Unit Owners directly affected by the damage or destruction, in a fair proportion deemed by the Board in its absolute discretion. In its absolute discretion, the Board shall determine which Unit Owners are "directly affected" by the damage or destruction, as long as its determination bears a reasonable relation to actual events. The Board shall not be responsible for the repair, replacement or restoration of any improvements, betterments, wall, ceiling or floor decorations

or covering, furniture, furnishings, fixtures, appliances or equipment installed in a Unit by Unit Owner or Occupant or any other personal property located on the Property owned by a Unit Owner or Occupant unless insurance therefore is specifically provided for in the insurance policy obtained by the Board.

Except as otherwise provided in this Paragraph 12, in the event of damage to or destruction of any Buildings or Units, including the Limited Common Elements contiguous to and servicing the Units so damaged or destroyed, as a result of fire or other casualty covered by insurance proceeds, the Board shall, in its sole and absolute discretion, determine and, without intervention of any Unit Owner or the holders of mortgages on any Units, arrange for the prompt repair, restoration and reconstruction of the damaged portion of such Buildings, Units and Limited Common Elements. In the event of the total destruction of a Unit or Units, the Board shall promptly cause the Unit Envelope(s) to be cleared of debris and leave the same in a neat and orderly condition until such time as repair, restoration or reconstruction commences. Any repair, restoration or reconstruction shall be accomplished so as to restore the structure to a first class condition in conformance 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 architectural control committee provided for in Paragraph 15, below. Where the insurance indemnity is insufficient to cover the cost of such repairs, restoration and reconstruction, the deficit shall be paid by all Unit Owners directly affected by the damage or destruction, in a fair proportion deemed by the Board in its absolute discretion. In its absolute discretion, the Board shall determine which Unit Owners are "directly affected" by the damage or destruction, as long as its determination bears a reasonable relation to actual events. The Board shall not be responsible for the repair, replacement or restoration of any improvements, betterments, wall, ceiling or floor decorations or covering, furniture, furnishings, fixtures, appliances or equipment installed in a Unit by Unit Owner or Occupant unless insurance therefore is specifically provided for in the insurance policy obtained by the Board.

(c) When Reconstruction Not Compulsory. Reconstruction shall not be compulsory where the whole or more than two-thirds (2/3) of any single Cottage Unit or any single Building containing the Villa Units or the Courtyard Units are destroyed or damaged by fire or other casualty, as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners directly affected by the casualty, the net proceeds of insurance policies shall be divided among all the Unit Owners and the mortgagees of the Units directly affected by the casualty in proportion to the respective value of each affected Unit as determined in the sole discretion of the Board and its respective percentage interest in any affected Common Elements (including Limited Common Elements) determined in accordance with the formula used herein to determine such percentage interest, after paying from the share of each affected Unit Owner or mortgagee, as their interests may appear, (i) the costs of removing debris and returning the site to a condition compatible with the overall appearance of the Property, including without limitation landscaping, and (ii) the just amount of any unpaid liens on any Unit, in the order of priority of such liens. Provided, however, that no such disbursement of the aforesaid insurance proceeds to any Unit Owner or mortgagee shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quitclaiming his interest in his Unit or affected portion thereof to the Board (as trustee for the remaining Unit Owners) and also delivers to the Board a recordable release of any liens on his Unit or affected portion thereof. Upon the recording of the aforesaid deeds and releases, each such Unit or affected portion thereof shall be deemed withdrawn as a Unit under this Master Deed and shall thereafter be deemed to be Common Elements. Upon the withdrawal of any Unit or portion thereof and the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof and its Limited Common Element Maintenance Percentage shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest in the Common Elements appurtenant to that Unit shall be reduced accordingly, as determined by the Board in its sole discretion. After the Board has effected any such withdrawal, the responsibility for the payment of future assessments for any such withdrawn Unit or portion thereof shall cease.

After the expiration or earlier termination of the Development Period, reconstruction shall also not be compulsory where the whole or more than two-thirds (2/3) of all of the Cottage Units and the Buildings containing the Villa Units and the Courtyard Units comprising the horizontal property regime established hereby are destroyed or damaged by fire or other casualty, as determined by the Board. In such case, and unless otherwise unanimously agreed upon by the Unit Owners, the net proceeds of insurance policies shall

be divided among the Unit Owners and the mortgagees of the Units directly affected by the casualty in proportion to the respective value of each affected Unit as determined in the sole discretion of the Board and its respective percentage interest in any affected herein Common Elements (including Limited Common Elements) determined in accordance with the formula used to determine such percentage interest, after paying from the share of each affected Unit Owner or mortgagee, as their interests may appear, the just amount of any unpaid liens on any Unit, in the order of priority of such liens; and the Board, as soon as is reasonably practicable and as agent for the Unit Owners, shall sell the Property, in its then condition, free from the effect of this Master Deed, which shall terminate upon such sale, on terms satisfactory to the Board, and the net proceeds of such sale shall thereupon be distributed to the Unit Owners or their mortgagees, as their interests may appear, in proportion to the respective value of each Unit as determined in the sole discretion of the Board and its respective percentage interest in the Common Elements (including Limited Common Elements) determined in accordance with the formula used herein to determine such percentage interest. Provided, however, that no such disbursement of proceeds to any Unit Owner or mortgagee hereunder shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board a recordable deed quitclaiming his interest in his Unit or affected portion thereof to the Board, as trustee for accomplishing the sale, and also delivers to the Board a recordable release of any liens on his Unit or affected portion thereof. If the Board fails to consummate a sale pursuant to this paragraph within twenty-four (24) months after the damage or destruction occurs, and the destroyed Units and Buildings have not otherwise been reconstructed, then the Managing Agent or the Board shall, or if either does not, any Unit Owner or mortgagee may, record a sworn declaration setting forth such facts and reciting that under the provisions of this Master Deed the prohibition against judicial partition of the Property provided for in this Master Deed has terminated and that judicial partition of the Property may be obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, this Master Deed shall terminate.

(d) Notice to Lenders. The Association will give timely written notice to each Eligible Mortgage Holder of any substantial damage to or destruction of any part of the Common Elements or the Limited Common Elements, or damage to or destruction of any Unit in which an interest is held, insured or guaranteed by the Eligible Mortgage Holder, and no provision of this Master Deed or the Bylaws will entitle any Unit Owner or any other party to priority over any First Mortgage with respect to the distribution of any insurance proceeds as to any Unit encumbered by a first mortgage or deed of trust.

(e) Liability Insurance. The Association shall also obtain comprehensive public liability insurance, in such amounts as it deems desirable, but which shall be at least \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence, and workmen's compensation insurance and other liability insurance in such amount as it deems desirable, insuring the Association, its members, officers, directors, employees, agents and representatives, and the Managing Agent, if any, from liability in connection with the operation, maintenance and use of the Common Elements, including the Limited Common Elements, and the rights, duties and responsibilities of the Association under this Master Deed, the Bylaws or the Act, and any legal liability arising out of lawsuits related to employment contracts, if any, of the Association. The policy shall provide that it may not be canceled or substantially modified without at least thirty (30) days' written notice to the Association and each Eligible Mortgage Holder or other holder of a first mortgage or deed of trust on a Unit of which the Association has been notified. The premiums for such insurance shall be a common expense, payable in accordance with paragraph 9, above; provided, however, at the option of the Board, and upon written notice to all Unit Owners, premiums for such insurance shall be separately billed to each Unit Owner with each Unit Owner to bear a proportion thereof based upon his percentage of ownership in the Common Elements or his Limited Common Element Maintenance Percentage, as applicable. The Board shall retain in safekeeping any such public liability policy for six (6) years after the expiration date of the policy.

(f) Fidelity Insurance. The Association shall also obtain fidelity insurance coverage covering officers, directors, and employees who handle or are responsible for handling Association funds. Such coverage shall be in such amounts as the Board in its best business judgment may determine, but in no event less than the greater of (i) three (3) months' aggregate assessments on all Units, plus reserve funds, or (ii) the estimated maximum of funds, including reserve funds, in the custody of the Association, or the Managing Agent, as the case may be, at any given time during the term of each policy, and shall contain

waivers of any defense based upon the exclusion of persons serving without compensation. The fidelity coverage policy shall provide that it may not be canceled or substantially modified without at least thirty (30) days' written notice to the Association and each Eligible Mortgage Holder or other holder of a first mortgage or deed of trust on a Unit of which the Association has been notified. The premiums on all fidelity insurance coverage required under this paragraph, except for that required to be maintained by the Managing Agent for its officers, employees and agents, who are responsible for handling Association funds, shall be paid by the Association as a common expense.

(g) Other Insurance. The Association also obtain such other insurance as the Board deems reasonably desirable or necessary, in such amounts, from such sources and in such forms as it deems desirable, insuring the Common Elements, the Section Limited Common Elements, each member of the Board and officer of the Association, and each member of any committee appointed pursuant to the Bylaws, 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 Association may (but shall not be required to) require of those performing any maintenance, repair or other work on the Property for which the Association is responsible such payment and performance bonds, liability or other insurance, including workmen's compensation, as it deems reasonably desirable or necessary or desirable given the nature, circumstances and amount of the work being performed. The premiums for such insurance and bonds shall be a common expense. In the event the Property is located within an area which has been officially identified and designated as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("NFIP"), the Association shall also obtain and pay the premiums on, as a common expense, a "master" or "blanket" policy of flood insurance on the Buildings, Units and other insurable property located within such area in an amount deemed appropriate by the Board but not less than the lesser of (i) the maximum coverage available under NFIP for all buildings and other insurable property within the Property to the extent the same are within an area having special floor hazards or (ii) 100% of the current replacement cost of all such buildings and other insurable property within such area.

(h) Authorized Representative: Attorney-in-Fact. Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may also be named as an insured and the policies to be obtained by the Association may be issued in the name of, on behalf of the Association, the Association's authorized representative, including any insurance trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee, who shall have exclusive right to negotiate settlements and to perform such other functions as necessary to accomplish this purpose. The Association, or its authorized representative, including any such insurance trustee or successor trustee designated by the Association, shall act as attorney-in-fact for each Unit Owner under each policy obtained by the Board for all purposes and to the extent permitted by law. Each Unit Owner, by acceptance of a deed of conveyance to a Unit, irrevocably appoints the Association, or its authorized representative, including any such insurance trustee or substitute trustee designated by the Association, as the Unit Owner's true and lawful attorney-in-fact for the purpose of purchasing and maintaining such insurance: including the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and the execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or its authorized representative, or any such insurance trustee, shall hold or otherwise dispose of any insurance proceeds in trust for the Unit Owners and their mortgagees, as their interests may appear, as provided herein or as otherwise required by the Act.

(i) Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to provide the coverage required by the provisions of this Master Deed or as may be otherwise deemed reasonably desirable or necessary by the Board.

13. Unit Owner Insurance. EACH UNIT OWNER SHALL BE RESPONSIBLE FOR OBTAINING HIS OWN INSURANCE FOR LOSS OR DAMAGE BY FIRE, VANDALISM, MALICIOUS MISCHIEF, CASUALTY OR OTHER HAZARDS AND ON THE CONTENTS OF HIS UNIT AND THE DECORATIONS THERETO, INCLUDING WITHOUT LIMITATION CARPETS, WALLPAPER, PAINT, CABINETS, FLOORING, PLUMBING FIXTURES AND LIGHTING FIXTURES, AS WELL AS THE LIMITED COMMON ELEMENTS SERVING HIS UNIT AND ANY ADDITIONS WITHIN OR IMPROVEMENTS TO HIS UNIT MADE BY THE

UNIT OWNER, AND FOR FURNITURE, FURNISHINGS AND PERSONAL PROPERTY THEREIN, AND ANY PERSONAL PROPERTY OF THE UNIT OWNER STORED ELSEWHERE ON THE PROPERTY. IN ADDITION, EACH UNIT OWNER SHALL BE RESPONSIBLE FOR OBTAINING HIS OWN INSURANCE INSURING SAID UNIT OWNER PERSONALLY FROM LIABILITY IN CONNECTION WITH THE OWNERSHIP, POSSESSION, USE AND OCCUPANCY OF HIS UNIT AND THE LIMITED COMMON ELEMENTS ATTRIBUTABLE TO HIS UNIT. SUCH INSURANCE SHALL NOT BE THE RESPONSIBILITY OF THE ASSOCIATION AND, BY ACCEPTANCE OF A DEED TO A UNIT, EACH UNIT OWNER ACKNOWLEDGES THAT SUCH INSURANCE IS AND SHALL BE THE SOLE RESPONSIBILITY OF SAID UNIT OWNER.

14. Maintenance, Repairs and Replacements.

(a) Cottage Units. Each Cottage Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his Unit and all maintenance of, repairs to and replacements of all the Cottage Limited Common Elements attributable to his Unit, which are located and situated within the boundaries of the Maintenance Area within which the Unit is located including but not limited to all roofs, walls, foundation, gutters, walkways, driveways, concrete patio and patio area, utility service pipes or lines or other improvements, but excluding the privacy or yard fence built and placed by the Builder, the maintenance, repair and replacement of which shall be the responsibility of the Association. Each Cottage Unit Owner shall be responsible for obtaining his own termite protection and any other insect or pest protection program for his Unit.

(b) Courtyard and Villa Units. Each Courtyard Unit Owner and Villa Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his Unit. All maintenance of, repairs to and replacements of all of the Limited Common Elements attributable to each Courtyard Villa or Villa Unit including, without limitation, the driveway and walkway for each Unit and the privacy fences serving each Unit or Units, shall be the responsibility of and shall be furnished by the Association, except that maintenance, repair, replacement and cleaning of the concrete patio and patio areas located within the privacy fence installed by Builder for each Unit will be the responsibility of that Unit Owner; routine maintenance, repairs and replacement of the plumbing fixtures and systems, windows, storm windows, doors, storm doors, electrical wiring and receptacles and lighting fixtures within and without any Unit or the Limited Common Elements which are not in common and serve exclusively a single Unit will be the responsibility of that Unit Owner; and routine maintenance of the fenced in patio area for each Unit, including maintenance of any lawn or shrubbery located therein, will be the responsibility of that Unit Owner. Termite protection for each Villa Unit or Courtyard Unit will be obtained and maintained by the Association. Any other insect or pest protection program desired by any Villa Unit Owner or Cottage Unit Owner will be the responsibility of that Unit Owner. The cost of reasonable repair and maintenance by the Association of any privacy fence built and placed by the Builder, or by adjoining Unit Owners, on a dividing line between Limited Common Elements shall be shared by the Unit Owners serviced by such privacy fence.

(c) Liens: Failure of Unit Owner to Maintain. Upon request by the Board, each Unit Owner shall procure and deliver to the Board such lien waivers and contractor's and subcontractors sworn statements as may be required to protect the property from all mechanics' or materialmen's lien claims that may arise therefrom. If any Unit Owner fails to maintain, repair or replace any items required herein to be maintained, repaired or replaced by said Unit Owner, then the Association shall have the right, but not the duty, at its option, to carry out such maintenance, repair or replacement, the cost of which shall be added to and become a part of the assessment to which such Unit shall be subject under this Master Deed and the Bylaws.

(d) Common Elements: Limited Common Elements. Except to the extent otherwise provided hereinafter, maintenance of, repairs to and replacements within the Common Elements (exclusive of the Section Limited Common Elements) shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of the general common expenses, to be assessed to and paid by all Unit Owners in the manner provided therefor in Paragraph 9(c), above. Maintenance of, repairs to and replacements within the Section Limited Common Elements shall be the responsibility of and shall be furnished by the Association to the extent shown on Exhibit K attached hereto. The cost thereof shall be a

part of the common expenses which shall be assessed to and paid by the Unit Owners benefited by the Section Limited Common Elements in the manner provided therefor in Paragraph 9(c), above, and, as to insurance, in the manner provided in Paragraph 12(b), above, it being the intent of this Master Deed that the common expenses of the Association attributable solely to the Section Limited Common Elements serving the Cottage Units will be assessed only to and paid by the Cottage Unit Owners, those attributable solely to the Section Limited Common Elements serving the Courtyard Units will be assessed only to and paid by the Courtyard Unit Owners, and those attributable solely to the Section Limited Common Elements of the Villa Units will be assessed only to and paid by the Villa Unit Owners. At the discretion of the Board, maintenance of, repairs to and replacements within any other Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby. Further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to and replacements within the Section Limited Common Elements to arrange for such maintenance, repairs and replacements in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractors' and subcontractors' sworn statements as may be required to protect the Property from all mechanics' and materialmen's lien claims that may arise therefrom; provided, however, that if, in order to maintain, repair or replace the electrical wiring, plumbing or other utilities of a Unit, it shall become necessary to gain entry to another Unit, it shall be the responsibility of the Association to provide such maintenance, repair or replacement, but the cost of such maintenance, repair or replacement may be assessed to the Unit Owners benefited thereby, as hereinabove provided, and added to and become a part of the assessments to which such benefited Units shall be subject under the Master Deed and the Bylaws.

(e) Landscape Maintenance. Except for those areas which are the responsibility of the Master Association as shown on Exhibit I attached hereto, the expense of cutting, mowing, seeding, repair, replacement and general maintenance of all of the lawn areas, shrubbery and other landscaping located within the Property, excluding the yard area within the fenced-in patio areas for each Unit and the lawn area within the boundaries of each Maintenance Area, shall be the responsibility of and shall be furnished by the Association as shown on Exhibit I attached hereto. The cost thereof shall be a part of the general common expenses of the Association which shall be added to and become a part of the assessments to which each Unit shall be subject under this Master Deed and the Bylaws, but (i) the portion of such cost attributable to the areas serving the Cottage Units as shown on Exhibit I attached hereto shall be assessed to and (ii) paid by each Cottage Unit Owner in proportion to their respective Limited Common Element Maintenance Percentage and the portion of such cost attributable to the areas serving the Villa Units and Courtyard Units as shown on Exhibit I attached hereto shall be assessed to and paid by each Villa Unit Owner and each Courtyard Unit Owner in proportion to their respective Limited Common Element Maintenance Percentage.

(f) Street Maintenance. The expense of the maintenance, repair and replacement of the private roads and rights of way in the form of street lighting, sidewalk maintenance, paving, curbing, striping, signage or other roadbed maintenance for the areas shown on Exhibit J attached hereto shall be the responsibility of and shall be furnished by the Association. The cost thereof shall be a part of the general common expense of the Association which shall be added to and become a part of the assessments to which each Unit shall be subject under this Master Deed and the Bylaws, but (i) the portion of such cost attributable to the areas serving the Cottage Units, Villa Units and Courtyard Units as shown on Exhibit J attached hereto shall be assessed to and paid by each Unit Owner in proportion to their respective percentage interest in the Common Elements, (ii) the portion of such cost attributable to the areas serving the Cottage Units as shown on Exhibit J attached hereto shall be assessed to and paid by each Cottage Unit Owner in proportion to their respective Limited Common Element Maintenance Percentage, and (iii) the portion of such cost attributable to the areas serving the Villa Units and Courtyard Units as shown on Exhibit J attached hereto shall be assessed to and paid by each Villa Unit Owner and each Cottage Unit Owner in proportion to their respective Limited Common Element Maintenance Percentage.

→ (g) Unit Owner Responsibility for Damage. If, due to the act or neglect of a Unit Owner, or of his agent, servant, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements, the Limited Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements thereto are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repairs and replacements, as may

be determined by the Board, to the extent not covered by the Association's Insurance. If such Unit Owner fails to pay the cost thereof and the Association is required to do so, then such cost shall be added to and become part of the assessments to which the Unit owned by such Unit Owner shall be subject under this Master Deed and the Bylaws.

(h) Association Access For Repair. The authorized representatives of the Association, the Board, or of the Managing Agent with approval of the Board, shall be entitled to reasonable access to the individual Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or the Limited Common Elements in the event of an emergency, or in connection with maintenance of, repairs to, or replacement of the Common Elements, Limited Common Elements, or any equipment, facilities or fixtures affecting or serving other Units, Common Elements and Limited Common Elements, or to make any alteration required any governmental authority.

15. Alterations, Additions or Improvements: Architectural Control. No Unit Owner or Occupant shall make any alteration of, or any additions or improvements to, or place any structures, devices or installations upon Common Elements, or any portion thereof, without the prior written approval of the Board. The Board may authorize, and charge as common expenses, any alterations, additions, and improvements to the Common Elements. No Unit Owner shall make any structural alteration, addition or improvement to his Unit without the prior written approval of the Board. Any Unit Owner may make non-structural alterations, additions or improvements within his Unit without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

Except as provided in Paragraph 16, below, no building, fence, wall, outside antenna, satellite dish or other structure or improvement except for those installed by the Builder shall be commenced, erected or maintained upon a Unit or any Limited Common Element nor shall any Unit Owner alter or add to the drives, walkways, sidewalks, drainage facilities or other improvements installed by the Builder or the Association within the Limited Common Elements; nor shall any Unit Owner alter or add to the plantings, shrubbery or other landscaping installed by the Builder or the Association within the Limited Common Elements outside of the fenced in yard, garden or patio area appurtenant to a Unit (ordinary lawn maintenance excepted); nor shall any Unit Owner alter, improve or add to, or paint or decorate, the Limited Common Elements serving his Unit (except for alterations, additions or improvements made entirely within the fenced in patio area which are not visible in any manner or part to the public view from outside the patio area) or the exterior of his Unit, and the appurtenances thereto, if such alteration, improvement, or addition, paint or decoration, would change the external appearance of the Unit, or the Limited Common Elements serving his Unit, and the appurtenances thereto, as installed by the Builder, until plans and specifications showing the nature, kind, shape, height, materials, and location of the same or the exterior paint color thereof, have been submitted to and approved in writing as to harmony of external design, location and color in relation to surrounding improvements, structures and topography by the Board or by an architectural committee composed of three (3) or more representatives appointed by said Board. In the event said Board, or its designated architectural committee, fails to approve or disapprove such construction, installation, alteration or addition within thirty (30) days after said plans and specifications have been submitted to it and the Unit Owner has received a written receipt reflecting such submission to said Board or architectural committee, approval will not be required and this paragraph 15 will be deemed to have been fully complied with.

Work done by the Declarant or Builder on the Property shall not be subject to the provisions of this Paragraph 15.

Notwithstanding anything to the contrary set forth elsewhere in this Master Deed, (i) the Association shall not be responsible for the maintenance, repair and replacement of any construction, installation, alterations or additions not made in compliance with the provisions of this Paragraph 15 and (ii) any approval of any plans and specifications by the Board, or its designated architectural committee, shall in no way constitute a representation or warranty as to the adequacy or sufficiency of the same or of the alterations, improvements or additions to which they relate for any use, purpose or conditions (including any applicable laws related thereto).

Any and all alterations, additions or improvements made by any Unit Owner in accordance with the provisions of this Paragraph 15 shall be prosecuted diligently to completion and shall be completed as soon as is reasonably practicable but in all events within six (6) months after commencement, unless exception is granted by the Board or its designated architectural committee. If an improvement is commenced and then abandoned for more than thirty (30) days, or if construction is not completed within the required six month period (or such later time period if exception was granted by the Board or its designated architectural committee), then the Board or its designated architectural committee may, if construction is not resumed or the improvement is not completed within twenty (20) days after written notice thereof has been given to the Unit Owner, impose a fine in an amount established from time to time by the Board or its designated architectural committee to be charged against the Unit Owner until construction is resumed, or the improvement is completed, as applicable, unless the Unit Owner can prove to the satisfaction of the Board or its designated architectural committee that such abandonment or failure to complete construction is for circumstances (other than the Unit Owner's failure or refusal to pay money) beyond the Unit Owner's control. Such charges shall be added to and become a part of the assessments to which the Unit owned by such Unit Owner shall be subject under this Master Deed and the Bylaws.

Any and all alterations, additions or improvements made by any Unit Owner in accordance with the provisions of this Paragraph 15 shall be constructed and made in accordance with the plans and specifications, if any, submitted to and approved by the Board or its designated architectural committee, in a good and workmanlike manner, in accordance with good construction practices and in compliance with all applicable statutes, laws, codes and ordinances and the terms and requirements of any insurance policy maintained by the Association applicable thereto. All licenses, permits and approvals by governmental agencies having jurisdiction which are required or necessary in connection with the proposed alterations, additions or improvements shall be obtained by the Unit Owner, at his expense, prior to commencement of the work. In approving any alterations, additions or improvements to be performed by a Unit Owner outside of his Unit and in those areas in which other Unit Owners have an individual percentage interest, the Board or its designated architectural committee may require the Unit Owner, as a condition to approval, to provide, at the Unit Owner's expense, such payment or performance bonds, liability insurance, workmen's compensation and other insurance as the Board or its designated architectural committee deems reasonably necessary given the nature, cost and scope of the proposed work and upon completion of such work the Unit Owner shall procure and deliver to the Board such lien waivers and contractor's/subcontractor's sworn statements as may be required to protect the Property from all mechanics and materialmen's liens that may arise therefrom.

16. Decorations: Cleaning. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating and routine cleaning and maintenance within his Unit and the Limited Common Elements located within and serving exclusively his Unit, as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, carpeting, floor covering, draperies, window shades, curtains, lighting, plumbing and lighting fixtures, and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings of his Unit, and such Unit Owner shall maintain said interior surfaces in good condition at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the Rules and Regulations of the Association, but each Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. Decorating of the Limited Common Elements, other than interior surfaces within the Units and the Limited Common Elements as hereinabove provided and, to the extent redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Limited Common Elements by the Association, any redecorating of Units, shall be furnished by the Association as part of the common expenses. All windows, doors and screens, including storm windows and doors, forming part of a perimeter wall of a Unit shall be cleaned and washed, and any damage thereto repaired, at the expense of the Unit Owner of that Unit.

17. Easements and Encroachments.

(a) Each Unit Owner shall have a perpetual and non-exclusive easement for ingress and egress to his Unit, in, upon, over, under, across and through the Common Elements (exclusive of Limited Common Elements the enjoyment, benefit or use of which is reserved exclusively to other Unit Owners) which

easement shall be appurtenant to each Unit and shall pass with the Unit estate as and when a transfer or conveyance of ownership of the Unit occurs.

(b) Easements for installation and maintenance of public and private utilities and drainage facilities are reserved as shown on the Plan, the Final Plat of Fieldstone Farms, Section 1, Revision One, Resubdivision of Lot 1364, of record in Plat Book 24, page 36, Register's Office for Williamson County, Tennessee, and as otherwise shown by the public records. A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements (including the Limited Common Elements) for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, poles or transformers, cable television systems, and any and all other equipment or machinery necessary or incidental to the proper functioning of any utilities systems servicing the Property or the Entire Tract, is hereby reserved, which easement shall be for the benefit of the Declarant, any governmental agency, utility company or other entity (public or private) which requires the same for the purpose of furnishing one or more of the foregoing services. A right of access by way of a driveway or open lawn area shall also be granted across the Limited Common Elements located within a Unit Envelope or Maintenance Area to any public or private utility having an installation in any easement.

(c) An easement is reserved to the Declarant in, upon, over, under, across and through the Common Elements (including the Limited Common Elements) during the Development Period in order to maintain such facilities and perform such operations as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction of the Units and Common Elements, including, without limitation, a business office, sales office, storage area, construction yards, signs and model Units, and for a period of two (2) years thereafter (but in no event more than ten (10) years from the date of recording this Master Deed) in order to make any repairs to improvements on the Property, including the Units, which Declarant may deem necessary or which may be required pursuant to contracts of sale made with Unit purchasers.

(d) In accordance with the specifications of the governmental body having jurisdiction over the construction of public roads, the right and easement is hereby reserved to the Declarant to construct all streets, roads, alleys, or other ways as now, or hereafter, may be shown on any Plan, or any recorded plat, at such grades or elevations as Declarant in its sole discretion may deem proper; and for the purpose of constructing such streets, roads, alleys or ways, Declarant additionally shall have a temporary construction easement, not exceeding ten (10) feet in width, upon and along the Common Elements (including the Limited Common Elements) for the construction of the roads, curbs, parking, driveways, and utilities, backfill, and no Unit Owner shall have any right of action or claim for damages against anyone 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 said ten (10) foot easement.

(e) If any portions of the Common Elements (including the Limited Common Elements) shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements (including the Limited Common Elements), as the Common Elements and Units are shown on the Plan, due to engineering errors, errors in original construction, reconstruction or repair, settlement or shifting of a building or movement of any portion of the improvements of the Property, or any similar cause, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments and for the maintenance of the same, so long as the same shall exist; provided, however, that in no event shall an easement for encroachment be created in favor of a Unit Owner if said encroachment occurred due to the willful act of said Unit Owner.

(f) A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Elements (including the Limited Common Elements) is hereby reserved to the Declarant and the Association for the purpose of maintaining, repairing, and replacing the Common Elements, the Limited Common Elements or any equipment, facilities or fixtures affecting or servicing the Common Elements or the Limited Common Elements; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner or Occupant, except that, in the case of an emergency, such right of entry shall be immediate and absolute, whether the Unit Owner or Occupant is present at the time or not or request is made or not.

(g) The Association, through the Board, the Managing Agent, or their respective agents or employees, shall have the perpetual and non-exclusive right of access and easement to each Unit, Unit Envelope or Maintenance Area to remedy any violations of the provisions of this Master Deed, the Bylaws, or any Rules and Regulations of the Association.

(h) An easement is hereby reserved as may be shown on any plan, or any recorded plat, or otherwise by the public records, over, across, through and upon the Property for those private streets or roads providing access to, and ingress and egress to and from, any publicly dedicated streets or roadways. To the extent that such private roads or streets provide the only reasonable means of access, ingress and egress to and from such publicly dedicated streets and roadways for the owners and occupants of any other property or properties contained within the Entire Tract, then such easements for such private streets and roadways on the Property may not be extinguished or modified in any way so as to prevent such access, ingress and egress on the part of said owners and occupants without the prior written consent, expressed in a recordable instrument, of the record owner or owners of any such other affected property or properties contained in the Entire Tract.

(i) An easement is hereby established for the benefit of the City of Franklin over all portion of the Property for the setting, removing and reading of water meters, for maintaining and replacing water, sewage and drainage facilities, for police protection, fire fighting and garbage collection and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Property. In no case shall the City of Franklin be responsible for failing to provide any emergency or regular fire, police, or other public service to the Property or to any of its occupants, when such failure is due to the lack of access to such area as a result of inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, or any Owner or occupant of a Unit.

(j) A blanket, perpetual and non-exclusive easements is hereby reserved in, to, across and through the attic area of each Courtyard Unit and each Villa Units in favor of the Declarant and the Association for the installation, maintenance, repair and replacement of electrical lines serving the Units of the Building in which such Units are located; provided that requests for entry are made in advance that any such entry is at a time reasonably convenient to the Unit owner or Occupant, except that, in the case of an emergency, such right of entry shall be immediate and absolute, whether the Unit Owner or Occupant is present at the time or not or request is made or not.

(k) The rights and easements provided below are hereby reserved for the benefit of those persons and entities who shall own or occupy the real estate located within the remainder of the Entire Tract not submitted to this Master Deed (the "Additional Property" as defined in Paragraph 32, below) so long as such real estate shall not be subjected to the terms of this Master Deed:

- (i) A non-exclusive right and easement of reasonable vehicular and pedestrian ingress and egress over and across any private streets and sidewalks located within the Property. This right and easement shall apply and inure to the benefit of the owners, occupants and guests and invitees of each owner or occupant of any lot, dwelling unit, condominium unit or other building located at any time on the Additional Property; provided that such rights are conditioned upon such person paying an equitable share of the cost of maintenance, use and operation of those streets and sidewalks used by such person as reasonably determined by the Board, except that in no event shall the amount charged to any such owner or occupant exceed the amount charged generally to the Unit Owner or Occupant (as the case may be) of an equivalent Unit which has been made subject to this Master Deed. The use of that portion of the Property subject to this easement shall be subject to the Master Deed and the Bylaws, the Rules and Regulations and all other documents governing the use of the Property.
- (ii) Subject to applicable rules, regulations and ordinances of the City of Franklin and any other governmental agencies having jurisdiction, a non-

exclusive right and easement to connect to and use any and all storm sewer to the extent any such sewer is designed for and intended to serve the buildings or the portion of the Additional Property sought to be connected to those sewers. Each person who connects to any such sewer shall be responsible for the payment of all charges for use and maintenance charged to that person by City of Franklin or other entity which provides or maintains those services. Access to the sewers shall be through or across easements which have been dedicated or granted for that purpose.

- (iii) The right and easement to the full extent necessary therefor, to enter upon the Property or to have utility companies enter upon the Property in or upon which sanitary sewer connections and/or water connections or electricity, television (cable or otherwise), or telephone or other common utility lines lie, to connect to such lines for the reasonable use of such utilities to serve developments within the Additional Property and to install, lay, repair, replace and generally maintain said connections as when the same may be necessary.
- (iv) The rights and easements provided for above in this subparagraph (k) shall be and hereby are reserved to Declarant and also to such successors and assigns of Declarant as shall acquire any portion of the Additional Property and be designated as being entitled to such benefits by Declarant in a duly recorded instrument. Such instrument may, by its terms, be limited in application to specified rights and easements, to specified portions of the Additional Property or otherwise as may be specified in such designation or may be for all purposes and applicable to all portions of the Additional Property that have not been subjected to the scheme of the Master Deed.
- (v) Notwithstanding anything to the contrary hereinabove contained, the rights and easements reserved and granted in this subparagraph (k) shall automatically terminate upon the recording by Declarant or its successors or assigns who have been designated in the manner provided in this Master Deed (if the recorded instrument designating such successors or assigns shall grant this power) of a written instrument terminating the rights and easements herein granted, except that such termination shall apply only to the benefits otherwise accruing to the lands designated in such termination as shall be owned at such time by the person recording such termination document to the extent provided for by such termination.
- (vi) The rights and easements reserved and granted in this subparagraph (k) shall automatically terminate as to any portion of the Additional Property which has been subjected to this Master Deed as of the date of the recording of a document subjecting such portion of the Additional Property to the Master Deed.
- (vii) The easements and rights herein granted, subject as aforesaid, shall run with the Property and the Additional Property and shall be binding upon and shall accrue to the benefit of Declarant and its successors and assigns.

18. Use and Occupancy Restrictions; Leases. The following restrictions on the use and occupancy of the Property, or any part thereof, are made a part of this Master Deed, to which each Unit Owner and Occupant shall be subject:

- (a) General. No Unit shall be used as a other than for single family residential purposes and purposes incidental and necessary thereto. The foregoing restriction shall not, however, be construed in such a manner as to prohibit a Unit Owner or Occupant from: (i) keeping his personal business or

professional records or accounts; or (ii) handling his personal business or professional calls or correspondence from his Unit. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restriction. Further, the foregoing restriction shall not preclude real estate sales offices and construction trailers from being maintained on the Property by or on behalf of the Declarant or a Builder for purposes of the construction, development and sale of the Property and the Units located or to be located thereon.

Each Unit Owner and Occupant shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done or kept within his Unit or in or upon the Common Elements or the Limited Common Elements which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements or the Limited Common Elements.

(b) Nuisances. No unlawful, noxious or offensive activities shall be carried on or in any Unit, the Common Elements, the Limited Common Elements, or elsewhere on the Property, nor shall anything be done therein or thereon, which may be or may become an annoyance or nuisance or which shall in the judgment of the Board cause unreasonable noise and disturbance to others.

(c) Temporary and Incomplete Structures. No temporary structure or incomplete structure may be used on the Property at any time temporarily or permanently as a residence. No structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be permitted on the Property at any time temporarily or permanently; provided, however, that with the prior written consent of the Board, temporary structures may be erected for use in connection with the repair or rebuilding of a Unit, the Common Elements, or any portion thereof. However, nothing in this paragraph shall serve to prohibit the Declarant, its agents, representatives, successors or assigns, from maintaining a temporary structure for the purposes of a sales and/or construction office during the development of and construction on the Property.

(d) Signs. Except for signs provided by the Declarant or the Association, no signs of any kind shall be displayed to the public view on the Property, except professionally lettered builders or Realtors signs in good taste and not exceeding eighteen (18) inches x twenty-four (24) inches in size which shall require the prior written consent of the Board and must be displayed from inside a Building through its windows.

(e) Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on the Property, except that dogs, cats or other household pets may be kept provided they are confined to the Units of their owners, or the Limited Common Elements attributable thereto, by leash or fence; and, provided that such dogs, cats or other household pets are not kept, bred or maintained for any commercial purposes; and, further provided they are not kept in such numbers as to become a nuisance to others and are kept in strict accordance with any Rules and Regulations relating to household pets from time to time adopted by the Association.

(f) Garbage and Refuse Disposal. The Property shall not be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers and shall be disposed of in a clean and sanitary manner. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition and shall be kept inside the garage serving the Unit in question. Garbage cans, trash containers or recycling containers shall not be permitted on the street or at the curb in a manner so that it is not concealed for more than twenty-four (24) hours prior to or following pickup of trash or recyclables.

(g) Clothes lines. No outside clothesline, posts, racks or dryers of any kind will be permitted on the Property.

(h) Vehicles. Junk vehicles, inoperable vehicles, unlicensed vehicles not for immediate use, or vehicles of any kind in disrepair, may not be kept or parked on the Property or any street. Moreover, no Unit Owner or Occupant shall permit any motor vehicles (operable or inoperable) owned by such Unit Owner or Occupant, or by any person on the premises as guest or invitee, to remain parked on the streets for more than forty-eight (48) hours. Vehicles may not be assembled, disassembled or serviced on the

Property or any street unless completely hidden from public view. No mobile home, bus, truck of over one ton, tractor/trailer rig (separate or in combination), or house trailer may be parked or stored on the Property or any street. No boat, trailer, camper or recreational vehicle shall be kept, stored or parked on any street for more than forty- eight (48) hours.

(i) Water Supply; Sewerage Disposal; Drainage. No Unit shall be occupied and used unless the same shall be connected with, and served with, water and sewerage from the water and sanitary sewer supply mains provided for the Property. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstruction or debris shall be placed in these areas. No Unit Owner may obstruct or rechannel drainage flows after the installation of drainage swales, storm sewers and/or storm drains.

(j) Use of Common Elements. The Common Elements shall be used only by Unit Owners, Occupants, and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from their respective Units and for such other purposes incidental to the use of the Units; provided, however, areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner or Occupant, and shall be subject to any lease, concession, or easement, presently in existence or entered into by the Board or the Declarant at such future time, affecting any part or all of said Common Elements.

(k) Storage. Articles of personal property belonging to any Unit Owner or Occupant, such as bicycles, wagons, toys, furniture, clothing and other articles shall only be stored or kept in the Unit or the within the enclosed patio or fenced in yard area appurtenant to and serving exclusively the Unit. No storage buildings may be placed or located by any Unit Owner or Occupant within any Unit Envelope, Maintenance Area, or elsewhere on the Property, unless prior approval has been obtained from the Board.

(l) Outside Lights. No exterior lighting visible from any street, other than porch and eave lights, shall be permitted except for (a) decorative post lights; (b) street lights in conformity with any proposed or established street lighting program for the Property; (c) seasonal decorative lighting at Christmas (the display of which is limited annually to the period between Thanksgiving and the following January 7); and (d) those installed by the Declarant.

(m) Mail boxes. Mail boxes of a type consistent with the character of the regime shall be selected and placed by the Builder and shall be maintained by the Association as a common expense to compliment the residences and the neighborhood.

(n) Lease of a Unit; Prohibition Against Multiple Leases. No Unit, or interest therein, shall be leased by a Unit Owner except by a written lease. The Lessee under such lease shall be bound by and subject to all of the terms, conditions, restrictions, rights and obligations of this Master Deed and Bylaws and the Rules and Regulations and the lease shall expressly so provide. Each lease must require a tenant to acknowledge receipt of, and acceptance of compliance with, this Master Deed and Bylaws and the Rules and Regulations. Failure to comply with the Master Deed and Bylaws and the Rules and Regulations shall be a default under such lease. No Unit Owner may lease less than the entire Unit, nor lease his Unit for transient or hotel purposes. A copy of all such leases shall be furnished to the Board. No lease shall have an initial term of less than ninety (90) days. IN ORDER TO PREVENT THE PURCHASE OF UNITS BY INVESTORS FOR USE AS RENTAL PROPERTY AND MAINTAIN THE CHARACTER OF THE PROPERTY AS A RESIDENTIAL COMMUNITY OF OWNER/OCCUPANTS, NO MORE THAN TWO (2) UNITS OWNED BY ANY ONE UNIT OWNER MAY BE RENTED OR LEASED AT ANY ONE TIME. THIS RESTRICTION SHALL NOT BE DEEMED TO PROHIBIT A FIRST MORTGAGEE WHO TAKES TITLE TO A UNIT PURSUANT TO THE TERMS OF ITS SECURITY INSTRUMENT FROM LEASING A UNIT FOR A LIMITED PERIOD OF TIME UNTIL THE FIRST MORTGAGEE CAN FIND A BUYER FOR THE UNIT.

(o) Additional Prohibited Activities. The Board may from time to time reasonably prohibit certain activities on the Property and such prohibition shall be final and binding on all Unit Owners and Occupants.

(p) Use by Declarant and Builder. During the period of construction and sale of Units by the Declarant or the Builder, the Declarant, Builder and Declarant's and Builder's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to such access, ingress to and egress from the Units, the Buildings and the Property as may be required for purposes of said construction and sale of Units and the Common Elements. While the Declarant or Builder owns any Units, and until each Unit owned by it is occupied by the purchasers thereof, the Declarant and its employees and agents may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unoccupied Unit or Units as a construction or sales office, and may maintain customary signs in connection therewith.

(q) Garages. Unit Owners and Occupants shall take all steps necessary to keep garage doors closed except for such limited and reasonable periods of time which may be necessary for repair and/or access. No garage may be converted to living space. All Unit Owners and Occupants shall park their vehicles first, to the extent possible, in the garage that is a part of their Unit, and then in the driveway appurtenant to their Unit.

(r) Satellite Dishes. No satellite dish shall be erected or placed on any Unit that is larger than the lesser of (i) ten (10) inches or (ii) the smallest size permitted to be prohibited by restrictive covenants pursuant to any regulations, or rulings of the Federal Communications Commission, if any, from time to time in effect and applicable to the Property shall be erected or placed on any Unit. Without limiting any requirements or other approval required to be obtained as provided herein, no satellite dish or exterior television antenna or receiver shall be erected or placed on any Unit unless it is located within the private fenced in patio area appurtenant to such Unit so as to be totally screened from public view.

19. Remedies and Enforcement.

(a) In the event of any violation of the provisions of the Act, this Master Deed, Bylaws, or the Rules and Regulations by any Unit Owner (either by his own conduct or by the conduct of any Occupant of his Unit), the Association, or its successors or assigns, and any Unit Owner aggrieved thereby, including the Declarant, shall have each and all of the rights and remedies which may be provided for in the Act, this Master Deed, the Bylaws, or said Rules and Regulations, or which may be available at law or in equity, and may prosecute an action or other proceeding against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the unit and to seal the same as provided hereinafter in this Paragraph 19, or for any combination of remedies, or for any other relief available at law or in equity. All expenses of the Association and the Declarant in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the Delinquency Interest Rate or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to, assessed against, and paid by such defaulting Unit Owner. All such expenses of the Association, if not paid within twenty (20) days after demand therefor, shall be added to and deemed part of the Unit Owner's respective share of the common expenses, and the Association shall have a lien for all of the same, as well as for nonpayment of common expenses, upon the Unit, and its percentage interest in the Common Elements, of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property; provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit, to the extent hereinabove set forth in Paragraph 10 hereof. In the event of any such default by any Unit Owner, the Board or Managing Agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection herewith shall be charged to and assessed against such defaulting Unit Owner and become a part of the assessments to which the Unit owned by such Unit Owner shall be subject under this Master Deed and the Bylaws. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of first mortgage and deed of trust liens against the Units.

(b) The violation of any term, provision, covenant, restriction or condition of the Act, this Master Deed, the Bylaws, or the Rules and Regulations shall give the Board the right, in addition to any other rights provided for in this Master Deed: (a) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, the Unit Envelope, Maintenance Area or any portion of the Property upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner (the cost of which shall become a part of the assessments to which the Unit owned by such Unit Owner shall be subject under this Master Deed and the Bylaws), any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions of this Master Deed, the Bylaws, or the Rules and Regulations of the Association, and the Board or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law. Notwithstanding anything contained in this paragraph to the contrary, in the event the Board uses the right of summary abatement or similar means to enforce any violation of any restriction or condition or regulation adopted by the Board or the or the breach of any covenant or provision herein contained, the Board shall institute appropriate judicial proceedings for such violations or breach before any items of construction can be altered or demolished.

(c) If any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate the Act, or any of the covenants or restrictions or provisions of this Master Deed, the By-Laws, or the Rules and Regulations and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation, then the Board shall have the power to issue to said defaulting Unit Owner a notice in writing terminating the right of said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Unit Owner for a decree of mandatory injunction against such defaulting Unit Owner or Occupant, or in the alternative, for control of the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Unit Owner in the Unit shall be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Unit Owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees and all other expenses of the proceeding and sale, and all such items shall be taxes against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, or any liens, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed.

(d) In the event of any violation of the provisions of the Act, this Master Deed, the By-Laws, or the Rules and Regulations by the Association itself or the Board, any Unit Owner aggrieved thereby shall have all rights and remedies provided for in the Act, this Master Deed, the By-Laws, or said Rules and Regulations, or which may be available at law or in equity.

(e) The failure by the Board, or any Unit Owner, including the Declarant, to enforce any covenant or restriction, or Rule and Regulation, provided in or by this Master Deed, the Bylaws, or the Act shall in no event be deemed a waiver of the right to do so thereafter. The remedies provided under this Master Deed shall not be exclusive, and the Association may enforce any other rights or remedies to collect delinquent assessments or to cure or remedy any other default or breach on the part of any Unit Owner as may be provided at law or in equity.

20. Amendment. The provisions of this Master Deed may be changed, modified or amended by an instrument in writing setting forth such change, modification or amendment, signed by not less than sixty-seven percent (67%) of the Unit Owners and acknowledged; provided, however, that any such change,

modification or amendment which would change, delete, rescind, impair or in any manner affect any right, remedy, easement, reservation, power, benefit or privilege afforded to (or duty or obligation binding on) the Declarant under this Master Deed shall require the consent of the Declarant in order to be effective; and further provided, however, that all holders of mortgages or deeds of trust on the Units of record shall have been notified by certified mail of such change, modification or amendment and an affidavit by the President or Secretary of the Association certifying to such mailing shall be made a part of such instrument and that any amendment so requiring it under the provisions of Paragraph 25, below, shall also have the prior written approval of the specified number or percentage of Eligible Mortgage Holders as required therein. Declarant's consent to any one such amendment shall not be construed or deemed to be consent to any other or subsequent amendment.

This Paragraph 20 is by way of supplement to and not in derogation of the powers of amendment reserved to Declarant pursuant to Paragraph 32, below, in connection with the expansion of the horizontal property regime established by this Master Deed.

Notwithstanding anything contained herein to the contrary, the Declarant hereby reserves and shall have the right, power, privilege and authority, in its sole discretion, to from time to time amend this Master Deed and any Exhibit hereto without the consent, joinder or approval of the Association, the Board, any Unit Owner, any person having a contractual right to purchase a Unit, any mortgagee or beneficiary of any mortgage or deed of trust on any Unit, or any other person or entity, for the purposes hereinafter set forth. Such right, power, privilege and authority of Declarant shall expire ten (10) years from the date of this Master Deed is filed of record in the Register's Office of Williamson County, Tennessee. This right, power, privilege and authority to amend shall be used (i) to correct clerical errors, ambiguities and inconsistencies and make other clarifications, (ii) to adjust boundary lines where necessary for clarification, or (iii) to reflect accurate surveys, (iv) to reflect the actual location and/or areas of the Units as built, (v) to conform to the requirements of any law or any governmental or quasi-governmental agency or body having legal jurisdiction over the Property, or the requirements of any insurance company or insurance underwriting office or organization, or (vi) to qualify the Property or any Units and improvements thereon for mortgage or improvement loans made, insured or guaranteed by a governmental agency, including without limitation the U.S. Department of Housing and Urban Development, Federal Housing Administration, Veterans Administration or the Federal National Mortgage Association. Declarant shall execute this power to amend by filing an amendment of record in the Register's Office of Williamson County, Tennessee. Declarant shall be in no way obligated to amend this Master Deed or any Exhibit hereto pursuant to this paragraph.

No amendment shall discriminate against any Unit Owner, or against any Unit or class or group of Units, unless the Unit Owner or Unit Owners so affected shall consent. No amendment shall change the voting rights provided for under Paragraph 5, above, unless Declarant and the Unit Owner or Unit Owners so affected shall consent. Except as provided in the case of expansion under Paragraph 32, below, or as otherwise provided in this Master Deed, no amendments shall change any Unit, nor the share of the Common Elements appurtenant to it, if such change will increase the Unit Owner's share of the common expenses, unless such Unit Owner and any Institutional Lender encumbering such Unit shall join in the execution of the amendment.

Notwithstanding anything contained herein to the contrary, if the Act, this Master Deed or the By-Laws require the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Master Deed, then any instrument amending any provision of this Master Deed with respect to such action shall be signed by all Unit Owners or all lien holders or both as required by the Act or this Master Deed. No provisions in this Master Deed may be changed, amended or modified so as to conflict with the provisions of the Act.

Any amendment shall be effective upon the recording of such instrument in the Register's Office of Williamson County, Tennessee.

21. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by the Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, Bill Clinton.

22. Rights and Obligations. Each grantee of a Unit, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Master Deed and the Bylaws. All present and future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Master Deed and the Bylaws. Any restrictions or rules in the Bylaws which are more than administrative in nature such as, but not limited to, reservations and future rights of Declarant, are hereby incorporated into and made a part of this Master Deed by reference. All restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall be binding upon and inure to the benefit of such person in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the Bylaws appended hereto and recorded herewith, pursuant to Tennessee Code Annotated, Section 66-27-111, as they may be amended from time to time. The acceptance of a deed of conveyance, devise, or lease to a Unit, or the entering into occupancy of any Unit, shall constitute an agreement that the provisions of the Bylaws and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Unit Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

The terms and conditions of this Master Deed, the Bylaws, and the Rules and Regulations may be incorporated by reference in, and become part of, the agreement between any mortgagee of a Unit and any present or future Unit Owner who enters into such an agreement with a mortgagee of his Unit. When so incorporated, any default in the terms and conditions of this Master Deed, the Bylaws, and Rules the and Regulations may be considered by the mortgagee of a Unit as a default, whereupon said mortgagee, after exercising its option to declare a default, shall then have all of the right and privileges arising as a result of a default under its agreement with said Unit Owner.

23. Condemnation. If all or any part of the Property shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu or in avoidance of condemnation, then all compensation, damages, or other proceeds of condemnation, the sum of which is referred to as the "condemnation award" below, shall be payable to the Association, and the provisions of this Paragraph 23 shall apply.

(a) Complete Taking. In the event that the entire Property is taken or condemned or sold or otherwise disposed of in lieu or in avoidance of condemnation, the horizontal property regime established hereby shall terminate. The condemnation award shall be paid to the Association for the use and benefit of the Unit Owners and the holders of mortgages or deeds of trust on the Units, as their interests may appear. Such award shall be apportioned among the Unit Owners and their mortgagees on the basis of the respective values of their Units and in accordance with the formula used herein for determining the undivided interest in the Common Elements appurtenant to the Unit in which such Unit Owners and mortgagees have an interest; provided, however, that if a standard different from the value of the Property as a whole is employed to measure the condemnation award in the negotiation, judicial decree, or otherwise, then in determining such apportionment the same standard shall be employed. The Association shall, as soon as practical, determine the share of the condemnation award to which each Unit Owner and mortgagee is entitled in accordance with each Unit Owner's allocated interest in the Common Elements, and such shares shall be paid first to the mortgagees and then to the Unit Owners, as their interests appear.

(b) Partial Taking. In the event of a taking in condemnation or by eminent domain of a portion of the Common Elements, Units, or a part of any Limited Common Elements, the award made for such taking shall be payable to the Board for and on behalf of the Association. If the Board in its sole and absolute discretion approves the repair and restoration of such Common Elements, Units or Limited Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, Units or Limited Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in

such repair and restoration in appropriate progress payments. In the event that the Board does not approve the repair and commence restoration of such Common Elements, Units or Limited Common Elements within one hundred twenty (120) days after receipt of the award, the Board shall reasonably and in good faith allocate the award between compensation, damages or other proceeds and apportion and disburse the net proceeds of such award among the Unit Owners and the mortgagees as follows:

(i) Subject to Subparagraph (ii) below, the total amount allocated to a taking of or injury to the Common Elements shall be apportioned among Unit Owners and their mortgagees on the basis of each Unit Owner's undivided interest in the Common Elements, and any portion of the award attributable to the acquisition of a Limited Common Element must be equally divided among the Unit Owners and their mortgagees of the Units to which the Limited Common Element was allocated at the time of acquisition;

(ii) The total amount allocated to severance damages shall be apportioned to the Unit Owners and mortgagees of those Units which were not taken or condemned;

(iii) The respective amounts allocated to the taking of or injury to a particular Unit or to improvements a Unit Owner has made within the Unit Owner's own Unit (including compensation to the Unit Owner for the Unit and its allocated interest in the Common Elements whether or not the Common Elements are acquired) shall be apportioned to the Unit Owner and mortgagees of that particular Unit involved; and

(iv) If any condemnation award shall become payable to any Unit Owner whose Unit is not wholly taken by condemnation or eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such Unit Owner. In that event, the Association shall rebuild the Unit as is necessary to make it habitable and remit the balance, if any, of the condemnation proceeds remaining after reconstruction to the Unit Owner thereof and the Unit Owner's mortgagee(s), as their interests may appear.

(v) The total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable under the circumstances.

The decision of the Board as to the fairness and reasonableness of the allocation shall be binding upon all parties if such decision reasonably relates to the given facts. If another method of allocation of the condemnation award is already established in negotiation, judicial decree, or otherwise, then in allocating the award the Association shall employ such allocation. Unless otherwise directed in writing by a mortgagee, distribution of apportioned proceeds shall be paid first to the mortgagees of each Unit and then to the Unit Owners entitled thereto, as their interests may appear.

(c) Reorganization. In the event a partial taking results in the taking of the whole of an individual Unit, or leaves a Unit Owner with a remnant which may not be repaired or restored so as to practically or lawfully be used for any purpose permitted by this Master Deed, the Unit Owner and the Unit Owner's mortgagee, as their interests may appear, shall be entitled to receive the condemnation award for such Unit taken and, after acceptance thereof, the Unit Owner, the Unit Owner's mortgagee and other interest holders, shall be divested of all interest in the Unit, shall be automatically cease to be members of the Association, and their ownership interests in the Common Elements shall terminate and vest in the Unit Owners of the remaining Units. Provided, however, that no such disbursement of proceeds to any Unit Owner or mortgagee shall occur unless simultaneously with such disbursement each affected Unit Owner delivers to the Board, as trustee, a recordable deed quitclaiming his interest in his Unit, and also delivers to the Board a recordable release of any liens on his Unit. Thereafter, subject to the provisions of the Act, the Board shall reallocate the ownership, voting rights, percentage interest in Common Elements, Limited Common Element Maintenance Percentages, and assessment ratios determined in accordance with this Master Deed and the Act, according to the same principles employed in this Master Deed at its inception and as required under the Act, and the Board shall amend this Master Deed accordingly. Any remnant of a Unit thereafter remaining shall be a Common Element.

(d) Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the procedures contained in Paragraph 12(b), above, for repair and reconstruction in case of casualty loss.

(e) Association as Attorney-in-Fact. The Association shall act as attorney-in-fact for and on behalf of and shall represent each Unit Owner in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Units, Common Elements or Limited Common Elements, or part thereof, by the condemning authority. Each Unit Owner, by acceptance of a deed of conveyance to a Unit, irrevocably appoints the Association, or its authorized representative, as the Unit Owner's true and lawful attorney-in-fact for such purposes.

(f) Notice to Lender. If any Unit or portion thereof, or a material portion of the Common Elements or Limited Common Elements, is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by a condemning authority, then each Eligible Mortgage Holder of a Unit affected thereby will be entitled to timely written notice from the Association of any such proceeding or proposed acquisition and no provision of this Master Deed or the Bylaws will entitle any Unit Owner or any other party to priority over any First Mortgagee with respect to the distribution of the proceeds of any award or settlement as to such Unit.

24. Rights Reserved. In addition to any rights elsewhere reserved in this Master Deed, the right and easement of use and enjoyment of the Common Elements, including the Limited Common Elements attributable to a Unit, provided for by this Master Deed, shall be subject to:

- (a) The right of the Association, as provided in the Bylaws or Rules and Regulations, to suspend the enjoyment right of any Unit Owner or Occupant for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published Rules and Regulations;
- (b) The right of the Association to charge reasonable fees for the use of any part or parts of the Common Elements;
- (c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements (including the Limited Common Elements) to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution or dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless members of the Association entitled to cast sixty-seven percent (67%) of the total votes of the Association have agreed to such dedication, transfer, purpose, or condition;
- (d) The right of Declarant, at its sole expense, to relocate, expand, modify, reduce, or extend existing driveways, parking areas and yard, and to construct, expand, enlarge or relocate sewers, utility lines or service connections, in order to serve the existing Units;
- (e) The right of the Association to grant such easements, rights-of-way and other use rights to such utility companies or public agencies or authorities under, through or over the Common Elements as it shall deem reasonably necessary for the proper servicing and maintenance of the Common Elements (including the Limited Common Elements) and the Units and the ongoing development and operation of the Property;
- (f) The right of the Declarant to expand the horizontal property regime established by this Master Deed as provided in Paragraph 32, below; and

- (g) The right of the Declarant to subject the whole Property, including the Common Elements, to such cross easements for ingress, egress, access and utilities as may be necessary, or as may be required by the appropriate governmental agency or authority of the City of Franklin, Tennessee or Williamson County, Tennessee, to serve the Property and the Entire Tract.

25. Rights and Protection of Eligible Mortgage Holders and Other First Mortgagees. In addition to any other rights granted to mortgagees or holders of deeds of trust elsewhere in this Master Deed or under the Act, the following rights and protection are hereby granted to and for the benefit of any Eligible Mortgage Holder and other First Mortgagee:

(a) The Association will give timely written notice to each Eligible Mortgage Holder of, and each Unit Owner consents to and authorizes notice of, the following:

- (i) any proposed amendment to the Master Deed and Bylaws effecting a change in the (A) boundaries of any Unit or the exclusive easement rights appertaining thereto; (B) the interests in the General or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto; (C) the number of votes in the Association appertaining to any Unit; or (D) the purposes to which any Unit or the Common Elements are restricted;
- (ii) any proposed termination of the horizontal property regime established hereby;
- (iii) any condemnation loss or casualty loss that affects either a material portion of the Common Elements or any Unit in which an interest is held, insured or guaranteed by the Eligible Mortgage Holder, as applicable;
- (iv) any delinquency in the payment of assessments or charges owed by the Unit Owner of any Unit in which an interest is held, insured or guaranteed by the Eligible Mortgage Holder, as applicable, which remains uncured for a period of sixty (60) days; and
- (v) any lapse, cancellation or material modification of any insurance policy or fidelity insurance maintained by the Association.

(b) Unless a higher percentage vote is required by the Act or elsewhere in this Master Deed, the consent of Unit Owners to which at least sixty-seven percent (67%) of the total votes in the Association are allocated and the approval of at least fifty-one percent (51%) of the votes of the Eligible Mortgage Holders (based upon one vote for each Unit upon which a mortgage is owned) shall be required to materially amend any provisions of this Master Deed or the Bylaws, or to add any material provision thereto, which establish, provide for, govern or regulate any of the following:

- (i) Voting rights;
- (ii) Assessments, assessment liens or subordination of such liens;
- (iii) Reserves for maintenance, repair or replacement of the Common Elements;
- (iv) Responsibility for maintenance or repair of the General or Limited Common Elements or Units;
- (v) Rights to use of the Common Elements;
- (vi) The boundaries of any Unit;

- (vii) Convertibility of Units into Common Elements or of Common Elements into Units;
- (viii) Expansion or contraction of the horizontal property regime established hereby or the addition, annexation or withdrawal of property from the regime;
- (ix) Hazard or fidelity insurance;
- (x) The interests in the General or Limited Common Elements;
- (xi) Leasing of Units;
- (xii) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer or otherwise convey his or her Unit;
- (xiii) Establishment of self management by the Association where professional management had been required previously by this Master Deed or by any Eligible Mortgage Holder; or
- (xiv) Any provision of this Master Deed or the Bylaws which expressly benefits any First Mortgagee.

(c) Unless a higher percentage vote is required by the Act or elsewhere in this Master Deed, the prior written approval of at least sixty-seven percent (67%) of the Eligible Mortgage Holders (based upon one vote for each Unit upon which a mortgage is owned) is required before the effectuation of any decision by the Unit Owners to terminate the horizontal property regime established hereby for reasons other than substantial destruction or a substantial taking in condemnation.

(d) To the extent possible under the Act:

- (i) Any restoration or repair of any part of the Property after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the provisions of this Master Deed and the original plans and specifications unless the approval of at least fifty-one percent (51%) of Eligible Mortgage Holders (based upon one vote for each Unit upon which a mortgage is owned) is obtained;
- (ii) Any election to terminate the horizontal property regime established hereby after substantial destruction or a substantial taking in condemnation of the Property must require the approval of at least fifty-one percent (51%) of Eligible Mortgage Holders (based upon one vote for each Unit upon which a mortgage is owned); and
- (iii) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Property is fixed in advance by this Master Deed as by the Act, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Property may be affected without the approval of at least fifty-one percent (51%) of Eligible Mortgage Holders (based upon one vote for each Unit upon which a mortgage is owned).

(e) Upon written request from any First Mortgagee, the Association will prepare and furnish within a reasonable time an audited financial statement of the Association for the immediately preceding fiscal year, provided that, if an audited financial statement is not available and the Association is not otherwise required to have one, the First Mortgagee will bear the cost of the audit.

(f) Any First Mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or deed of trust, or upon foreclosure of the mortgage or deed of trust or upon receiving a deed (or assignment) in lieu of foreclosure, shall take the Unit free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit. Specifically, and without limitation upon the above provisions of this subsection, this Master Deed, the By-Laws, or any other of the Property's constituent documents shall not impair the rights of a First Mortgagee to:

- (i) Foreclose or take title to a Unit pursuant to the remedies provided in the mortgage or deed of trust, or
- (ii) Accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or
- (iii) Sell or lease a Unit acquired by the mortgagee.

Notwithstanding the foregoing, the provisions of subparagraphs (a), (b) and (c), above, shall not apply in the case of substantial or complete loss to the Units and/or Common Elements as a result of destruction, damage or condemnation described in Paragraph 12 and Paragraph 23, above, or in the case of expansion of the horizontal property regime established hereby pursuant to Paragraph 32, below.

Eligible Mortgage Holders shall request notice of the matters set forth hereinabove by making written request to the Association upon becoming a First Mortgagee hereunder, such request to state the name and address of such Eligible Mortgage Holder, that it holds or has insured or guaranteed, as the case may be, a first mortgage or deed of trust or a Unit, and the Unit number or the address of the Unit. The Association may rely upon such information in making the notifications required hereunder.

Provided that such notice has been delivered to the Eligible Mortgage Holder by certified or registered mail, return receipt requested, any notice requesting approval of any Eligible Mortgage Holder as required hereinabove shall advise said Eligible Mortgage Holder that failure to respond within thirty (30) days of receipt of said notice shall be deemed to be approval by said Eligible Mortgage Holder of the matter for which approval is being sought.

26. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title-holding trust, under the terms of which all power of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Master Deed against such Unit. No claim shall be made against any such title-holding trustee personally for payment of any lien or obligation hereunder created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

27. Right of First Refusal. The Association shall in no event have any right of first refusal to purchase any Unit.

28. Notices. Notices provided for in the Act, this Master Deed, or the By-Laws shall be in writing, and shall be addressed to the Association c/o Ghertner & Company, 413 Seventh Avenue, South, Nashville, Tennessee 37203, or at such other address as may be hereinafter provided. The Association may designate a different address or addresses for notices to it by giving written notice of such change of address to all Unit Owners. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Master Deed to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

29. Severability. If any provision of this Master Deed, the By-Laws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Master Deed on the By-Laws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby, and the remainder of this Master Deed or, the By-Laws shall be construed as if such invalid part was never included therein.

30. Captions. The captions herein are inserted only as a matter of convenience, and in no way define, limit, or describe the scope of these provisions or the intent of any provision hereof.

31. Gender. The use of the masculine gender in this Master Deed and in the By- Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

32. Declarant's Right to Expand the Horizontal Property Regime. Declarant presently intends to establish and develop the horizontal property regime known as Prescott Place Condominiums in phases. To this end, Declarant hereby explicitly reserves and shall have, until the seventh (7th) anniversary of the recordation of this Master Deed, the option, right, power, privilege and authority (but shall be under no obligation), in its sole discretion, without the consent, joinder or approval of the Association, the Board, any Unit Owner, any person having a contractual right to purchase a Unit, any mortgagee or beneficiary of any mortgage or deed of trust on any Unit, or any other person, to from time to time expand the horizontal property regime established by this Master Deed by submitting to this Master Deed additional property from within the area included in the Entire Tract (hereinafter referred to as "Additional Property"); provided, however, that such expansion is in accord with the general plan of development for Prescott Place Condominiums as submitted to and approved by the Federal Housing Administration and/or Veterans Administration (FHAVA) and a copy of the amendment to the Master Deed or other annexation document which adds the Additional Property is submitted to the FHAVA prior to the guaranty of the first loan on any Unit in the Additional Property by either of them or any other governmental guarantor. This right to expand the horizontal property regime established hereby may be terminated prior to such seventh anniversary only upon the filing by Declarant of an amendment to this Master Deed terminating said option and right. In the exercise of its option and right to expand the horizontal property regime established hereby under this Paragraph 32, Declarant may and shall have the right, in its sole discretion, to add any or all portions of the Additional Property at any time, at different times, in any order, without limitation; provided, however, that any Additional Property so added shall not exceed the area encompassed by the Entire Tract. All taxes, assessments, mechanics liens and other charges, if any, affecting the Additional Property, covering any period prior to the addition of such Additional Property to this Master Deed pursuant to this Paragraph 32, must be paid or otherwise satisfactorily provided for by Declarant such that the addition of the Additional Property to the horizontal property regime established by this Master Deed will not adversely affect the rights of existing Unit Owners or the priority of first mortgagees or deeds of trust on Units in the existing Property which is subject to this Master Deed. There are no other limitations on the right of Declarant to expand the horizontal property regime established hereby except as expressly provided in the Act, this Paragraph 32 or by rules and regulations imposed by the FHAVA, as the case may be.

The right to expand the horizontal property regime established hereby shall include, but shall not be limited to, the right to construct, or cause to be constructed, additional Units and Common Elements and to submit such land and improvements to this Master Deed, thereby subjecting the same to all of the terms, conditions, and provisions of the Act and this Master Deed.

Declarant makes no assurances as to the total number of Units which may result from the exercise of Declarant's right to expand the horizontal property regime established hereby provided by this Paragraph 32 except that: (i) the maximum number of Units within this horizontal property regime as a result of the right of expansion provided for herein shall be two hundred and six (206) Units, which will give each Unit Owner a minimum percentage interest in the Common Elements, which percentage shall be a fraction, the numerator

of which is the number one and the denominator of which is the number 206, or 1/206 and (ii) the minimum number of Units in the horizontal property regime established by this Master Deed shall be forty (40) Units, which will give each Unit Owner a maximum percentage of interest in the Common Elements, which percentage shall be a fraction, the numerator of which is the number one and the denominator of which is the number forty or 1/40.

At such time as the horizontal property regime established by this Master Deed is expanded pursuant to the provisions of this paragraph, the percentage of interest in the Common Elements and the Limited Common Element Maintenance Percentage allocated to each Unit shall be reallocated at that time in accordance with Paragraphs 6 and 9, above, and each Unit Owner's proportionate share of the expense of administration and operation of the Common Elements, the Limited Common Elements and of any other expenses incurred in conformance with this Master Deed and the Bylaws, shall be reallocated to reflect the reallocation of his percentage of ownership in the Common Elements and of his Limited Common Element Maintenance Percentage. Each Unit Owner, including the Declarant, shall be entitled to the voting rights set forth in Paragraph 5(b), above, resulting from such expansion, and the total number of votes in the Association shall be increased as a result of the additional Units. The Common Elements of any Property at the time covered by this Master Deed shall inure to the benefit of the Unit Owners of any additional Units which may become subjected to this Master Deed pursuant to this paragraph, and the Common Elements of any Additional Property shall inure to the benefit of the Unit Owners recorded earlier, each to enjoy the Common Elements of the other and to have and to hold the same as if each Unit and the Common Elements had been developed and subjected to this Master Deed simultaneously, subject to each Unit Owner's exclusive right and easement of use and possession in and to the Limited Common Elements appurtenant to and serving his Unit.

Declarant makes no assurances as to the buildings, including any Units, or the Common Elements, which will be a part of the Additional Property or their location within the area added, except that any improvements on the Additional Property shall be consistent with one or all of the categories of the initial improvements in the horizontal property regime established hereby in terms of quality of construction. Units may be laid out in different configurations or plans and additional classes of accessory Units may be provided. Subject to the approval of the FHAVA with the general plan of development as hereinabove provided, no assurances are given that the Units will be built in accordance with any current or future approved site plan or that any site plan may not be from time to time amended. Declarant expressly reserves the right to create Limited Common Elements on the Additional Property and to designate Common Elements therein which may be subsequently assigned as Limited Common Elements. Declarant makes no assurances as to type, size or maximum number of such Common Elements or Limited Common Elements.

Declarant makes no assurances that any Additional Property from the area included in the Entire Tract will be added to the horizontal property regime established by this Master Deed. In the event that Declarant shall not add any Additional Property from the area included in the Entire Tract to the horizontal property regime established by this Master Deed, as to such remaining area Declarant shall have, and does hereby reserve for itself and any future owners of such property, the right to construct any improvements it desires on said property and to use and operate said property in any manner it deems desirable, without restriction, it not being the intent of this paragraph to in any way restrict Declarant's right to use, convey, lease, encumber or otherwise deal with all or any portion of the area included in the Entire Tract not submitted to this Master Deed by this paragraph. This Master Deed shall not be deemed in any way to place any encumbrance, restriction or limitation of any kind on any portion of the Entire Tract not submitted to this Master Deed.

Any Additional Property added to the horizontal property regime pursuant to this Paragraph 32 shall be submitted to and become bound by this Master Deed upon the recording of an Amendment to this Master Deed by the Declarant describing the Additional Property to be submitted, subjecting such Additional Property to the covenants, conditions, restrictions and provisions of this Master Deed, and providing for the adjustments to the number of votes in the Association and the reallocation of the percentage of interest in the Common Elements and Limited Common Element Maintenance Percentage allocated to each Unit and of each Units proportionate share of common expenses resulting from such expansion as provided for hereinabove. Any such expansion shall be effective upon the recording of such amendment except as provided therein. Any and all such amendments and any corresponding adjustments and reallocations necessitated thereby shall

be binding upon the Board, the Association, all Unit Owners, all Eligible Mortgage Holders or other holders of mortgages or deeds of trust encumbering Units, any person having a contractual right to purchase a Unit and every other person having an interest in the Property or any one or more Units. Upon recordation of such amendment, the definitions used in this Master Deed shall be expanded automatically to encompass and refer to the Property as expanded.

Notwithstanding anything to the contrary set forth in Paragraph 20, above, no amendment or modification of this Master Deed which amends, modifies or in any way changes or affects the rights of the Declarant provided by this Paragraph 32 may be made or shall be effective without the express prior written consent of the Declarant to such amendment or modification.

33. FHAVA Approval. The horizontal property regime established hereby may not be merged with a successor horizontal property regime without the prior written approval of the FHAVA. Additionally, during the Development Period, the approval of the FHAVA shall be required for any amendments to this Master Deed, except for amendments made by Declarant pursuant to its right to correct clerical errors or make other clarifications or adjustments as provided in Paragraph 20, above. A letter from an official of any such corporation or agency shall be sufficient evidence of such approval and it shall not be necessary for such corporation or agency to join in the execution of the document or instrument reflecting or setting forth such amendment.

34. Regulation by the City of Franklin. Each Unit Owner hereby agrees that the City of Franklin, Tennessee, is authorized and empowered to require the Association and each Unit Owner, jointly and/or severally, to provide for the orderly maintenance and upkeep of the Common Elements, including without limitation all private roads and drives located on and serving the Property. In the event that the City of Franklin, Tennessee, or any agent thereof, determines that the Common Elements are being maintained in a manner which is dangerous or detrimental to the health, safety and welfare of the community, pursuant to the provisions of the Franklin Municipal Charter and Code, the City of Franklin, Tennessee and its agents, may upon ten (10) days notice to the Association enter upon the Common Elements and make any repairs or improvements to the Common Elements which City of Franklin and its agents deem necessary to remedy such conditions. Thereafter, the Association and each Unit Owner shall be obligated to pay to the City of Franklin its costs for all improvements, work, and/or labor, supplied or furnished to the Common Elements. The obligation to pay said costs shall be a personal obligation of the Association and each Unit Owner, jointly and severally. All such costs shall be paid to the City of Franklin, Tennessee within thirty (30) days of receipt from the City of Franklin, Tennessee of a statement for such costs, which receipt shall be required to be served upon the President of the Association only. All Unit Owners hereby waive notice of receipt of said statement for such costs. In order to secure payment at and after the due date, there shall arise a continuing lien and charge against each lot in favor of the City of Franklin, the amount of which shall include costs and reasonable attorneys' fees to the extent permissible by law. The City of Franklin, Tennessee may bring an action at law against the Association and/or any Unit Owner, or foreclose the lien against any property owned by any Unit Owner. Neither the Association nor any Unit Owner may waive or otherwise escape liability for the cost incurred by the City of Franklin, Tennessee as described herein.

35. Recreational Facilities. Recreational facilities have been constructed upon the parcel within the Fieldstone Farms Development of which the Entire Tract is a part shown and designated "Recreation" upon the site plan of Fieldstone Farms filed with the City of Franklin. These recreational facilities are currently owned and operated by a separate entity ("Operator") upon such terms and conditions as the Operator may deem reasonable. The Operator may or may not permit residents and/or non-residents of the Property to use such facilities, may charge dues and/or membership fees and may require that current payment thereof be made in order to use such facilities. Those who may be permitted to use such recreational facilities shall do so subject to such dues and/or membership fees and any other rules or regulations regarding membership or use as the Operator may from time to time impose. No Unit Owner shall be required to use the recreational facilities, nor to pay any dues or membership fees therefor, unless such Unit Owner desires to use and is permitted to use the recreational facilities. Nothing set forth in this Master Deed shall in any way constitute a representation or warranty that such recreational facilities will be available (or will continue to be available) for use by residents or non-residents of the Property.

36. Fieldstone Covenants and Restrictions Applicable to Property: Membership in Master Association: Master Association Assessments. The Property is subject to that certain Declaration of Covenants, Conditions and Restrictions of Fieldstone Farms of record in Book 761, page 808, Register's Office for Williamson County, Tennessee, together with any amendments now or hereafter recorded with respect to such covenants or restrictions (collectively, the "Fieldstone Covenants"), which contain restrictive covenants applicable to the Entire Tract and certain adjacent properties. Each grantee of a Unit, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, and powers reserved therein to the Declarant and the Master Association. All present and future Unit Owners and Occupants shall be subject to and shall comply with the terms and provisions of the Fieldstone Covenants. Each Unit Owner will be a member of the Master Association. Ownership of a Unit will be subject to the assessments, liens and other charges of or which may be made or imposed by the Master Association in accordance with the Fieldstone Covenants and the Charter and By-Laws of the Master Association, which assessments, liens and other charges shall be billed to and shall be the obligation of each Unit Owner separate and apart from the assessments of the Association provided for by this Master Deed and the By-Laws of the Association.

IN WITNESS WHEREOF, Declarant has executed this Master Deed this 27th day of January, 1997.

FIELDSTONE FARMS DEVELOPMENT, INC.,
a Delaware corporation

APPROVED
AS TO CONTRACT COMPLIANCE
PER SPM NO. 132
LAW DEPARTMENT
AGC
CONTROL NO. 97-081
DATE 1-27-97
SIGNED Jan Polyl

By:

Title:

Lawrence Kupstas
President

ACKNOWLEDGMENT

STATE OF Texas
COUNTY OF Harris

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Lawrence Kupsias, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President of Fieldstone Farms Development, Inc., the bargainer, a Delaware corporation, and that he, as such President, being authorized so to do, executed the within instrument for the purposes therein contained by signing the name of the corporation by himself as such President.

WITNESS my hand and official seal at Houston, Texas, this 27th day of January, 1997.

Dianne Reed
NOTARY PUBLIC

My commission expires: _____

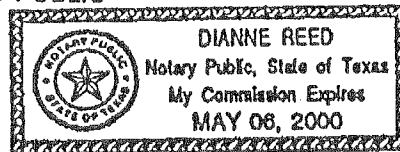


EXHIBIT "A"

**PRESCOTT PLACE
LEGAL DESCRIPTION FOR ENTIRE TRACT
FIELDSTONE FARMS SECTION "I"
RESUBDIVISION OF LOT 1364**

BEING FIELDSTONE FARMS SECTION "I" RESUBDIVISION OF LOT 1364, A FINAL SUBDIVISION PLAT RECORDED IN PLAT BOOK , PAGE , REGISTERS OFFICE FOR WILLIAMSON COUNTY, TENNESSEE:

BEGINNING AT A POINT IN THE SOUTH RIGHT OF WAY LINE OF FIELDSTONE PARKWAY, SAID POINT BEING THE NORTHERN CORNER COMMON TO FIELDSTONE FARMS SECTION "Y" AND FIELDSTONE FARMS SECTION "I" RESUBDIVISION OF LOT 1364;

THENCE WITH FIELDSTONE PARKWAY ON A CURVE TO THE RIGHT WITH A RADIUS OF 1250.00 FEET, A CENTRAL ANGLE OF 19°46'40", A CHORD OF SOUTH 76°35'08" EAST 429.35 FEET ALONG THE TOTAL DISTANCE OF 431.49 FEET TO A POINT.

THENCE SOUTH 66°41'48" EAST 317.18 FEET TO A POINT;

THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 1436.41 FEET, A CENTRAL ANGLE OF 05°46'19", A CHORD OF SOUTH 69°34'57" EAST 144.65 FEET ALONG THE TOTAL DISTANCE OF 144.71 FEET TO A POINT;

THENCE LEAVING FIELDSTONE PARKWAY AND WITH THE CONTIGUOUS LINE OF LOT 1363 FIELDSTONE FARMS SECTION "I" OF RECORD IN PLAT BOOK 20, PAGE 70, REGISTERS OFFICE FOR WILLIAMSON COUNTY, TENNESSEE THE FOLLOWING;

THENCE SOUTH 10°00'00" WEST 80.05 FEET TO A POINT;

THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 160.00 FEET, A CENTRAL ANGLE OF 30°50'00", A CHORD OF SOUTH 05°25'00" EAST 85.07 FEET, ALONG THE TOTAL DISTANCE OF 86.10 FEET TO A POINT;

THENCE SOUTH 20°50'00" EAST 267.12 FEET TO A POINT;

THENCE SOUTH 62°57'13" WEST 730.64 FEET TO A POINT;

THENCE SOUTH 06°18'17" WEST 206.71 FEET TO A POINT;

THENCE SOUTH 48°43'36" WEST 349.36 FEET TO A POINT IN THE CENTER OF THE HARPETH RIVER;

THENCE LEAVING THE SAID CONTIGUOUS LINE WITH THE CENTER OF THE HARPETH RIVER A COMMON LINE WITH LIVINGFIELD MORE THE FOLLOWING;

THENCE NORTH 16°46'41" WEST 40.50 FEET TO A POINT;

THENCE NORTH 46°56'02" WEST 86.33 FEET TO A POINT;

THENCE NORTH 76°06'48" WEST 102.16 FEET TO A POINT;

THENCE LEAVING LIVINGFIELD MORE AND WITH SAID SECTION "Y" THE FOLLOWING;

THENCE NORTH 07°31'32" EAST 1346.22 FEET TO THE POINT OF BEGINNING.

CONTAINING 904,780.10 SQUARE FEET OR .20.77 ACRES, MORE OR LESS.

Being a part of the same property conveyed to Fieldstone Farms Development, Inc. by deed of record in Deed Book 1249, page 822, Register's Office for Williamson County, Tennessee.

1976 Twenty-First Avenue South Nashville, Tennessee 37212 Phone 615-255-1144

NO.	DELTA	RADIUS	TANGENT	LENGTH	CHORD	BEARING
C1	19-46-40	1250.00'	217.91'	431.49'	429.35'	S78-35-C88
C2	05-46-19	1436.41'	72.41'	144.71'	144.65'	S69-34-S78
C3	30-50-00	160.00'	44.12'	86.10'	85.07'	S05-25-C08
C6	168-14-25	49.50'	257.54'	136.71'	97.22'	N72-38-43W

EXHIBIT "B"
PRESCOTT PLACE
LEGAL DESCRIPTION FOR
FIELDSTONE FARMS SECTION "I"
RESUBDIVISION OF LOT 1364
PHASE 1

BK 1485 PG1036

BEING A PORTION OF FIELDSTONE FARMS SECTION "I",
RESUBDIVISION OF LOT 1364, A FINAL SUBDIVISION
PLAT AS RECORDED IN PLAT BOOK , PAGE ,
REGISTERS OFFICE WILLIAMSON COUNTY, TENNESSEE:

BEGINNING AT A POINT IN THE SOUTH RIGHT OF WAY LINE
OF FIELDSTONE PARKWAY, SAID POINT BEING THE NORTH
CORNER COMMON TO FIELDSTONE FARMS SECTION "Y" AND
FIELDSTONE FARMS SECTION "I" RESUBDIVISION OF LOT 1364;

THENCE WITH FIELDSTONE PARKWAY ON A CURVE TO THE
RIGHT WITH A RADIUS OF 1250.00 FEET, A CENTRAL ANGLE
OF 19°46'40", A CHORD OF SOUTH 76°35'08" EAST
429.35 FEET ALONG THE TOTAL DISTANCE OF 431.49 FEET
TO A POINT;

THENCE SOUTH 66°41'48" EAST 316.76 FEET TO A POINT;

THENCE LEAVING THE RIGHT OF WAY OF FIELDSTONE
PARKWAY AND ON A SEVERANCE LINE ACROSS LOT 1713
THEN LOT 1364 THE FOLLOWING;

THENCE SOUTH 23°18'12" WEST 109.84 FEET TO A POINT;

THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF
50.50 FEET, A CENTRAL ANGLE OF 45°37'37", A CHORD
OF SOUTH 43°52'59" EAST 39.16 FEET ALONG THE TOTAL
DISTANCE OF 40.22 FEET TO A POINT;

THENCE SOUTH 21°04'11" EAST 23.49 FEET TO A POINT;

THENCE SOUTH 62°57'13" WEST 149.47 FEET TO A POINT;

THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF
215.50 FEET A CENTRAL ANGLE OF 32°00'58", A CHORD
OF SOUTH 78°57'42" EAST 118.86 FEET ALONG THE
TOTAL DISTANCE OF 120.42 FEET TO A POINT;

THENCE NORTH 85°01'49" WEST 59.19 FEET TO A POINT;

THENCE NORTH 04°58'11" EAST 78.46 FEET TO A POINT;

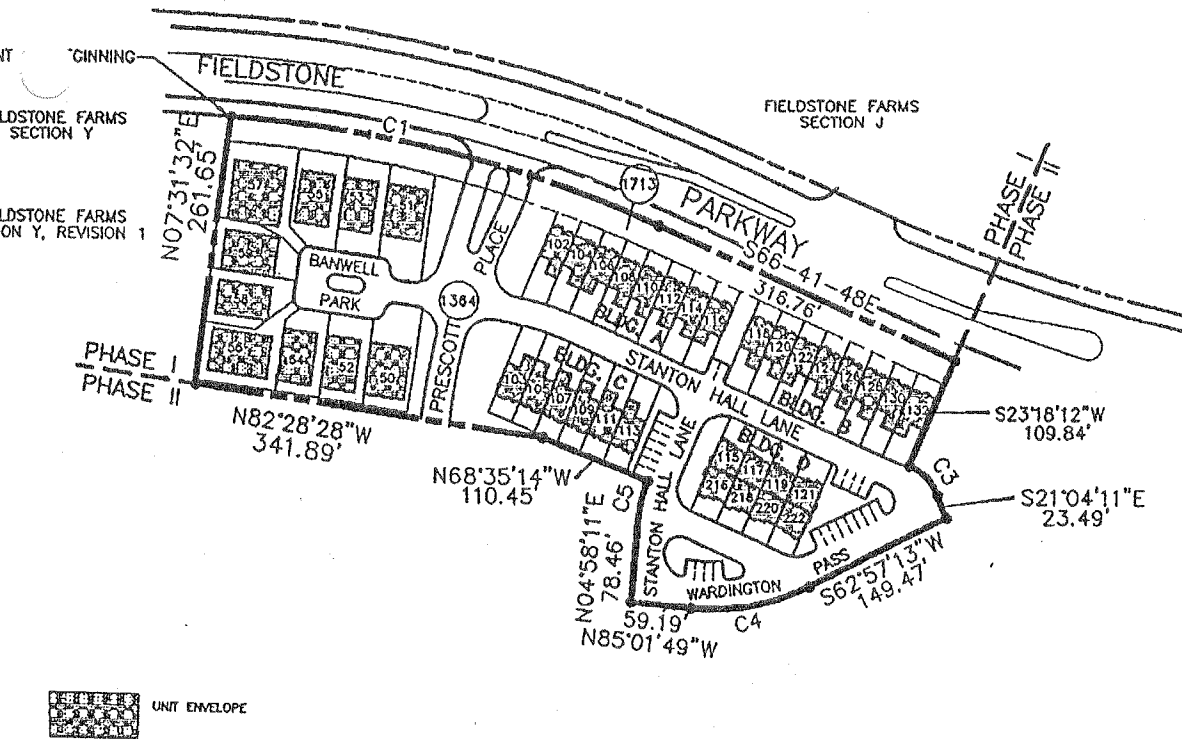
THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF
148.00 FEET, A CENTRAL ANGLE OF 15°28'30", A CHORD
OF NORTH 12°42'26" WEST 39.85 FEET ALONG THE
TOTAL DISTANCE OF 39.97 FEET TO A POINT;

THENCE NORTH 68°35'14" WEST 110.45 FEET TO A POINT;

THENCE NORTH 82°28'28" WEST 341.89 FEET TO A POINT;

THENCE NORTH 07°31'32" EAST 261.65 FEET TO THE
POINT OF BEGINNING.

CONTAINING 191,179.89 SQUARE FEET OR 4.39 ACRES,
MORE OR LESS.



SEE SHEET 2 OF 2 FOR DETAILED
UNIT ENVELOPES & MAINTENANCE
AREAS FOR COTTAGE UNITS

1,179.89 SQUARE FEET
4.39 ACRES

CURVE DATA

NO.	DELTA	RADIUS	TANGENT	LENGTH	CHORD	BEARING
C1	19-46-40	1250.00'	217.81'	431.49'	429.35'	S76-35-08E
C3	45-37-37	50.50'	21.24'	40.22'	39.16'	S43-52-59E
C4	32-00-58	215.50'	61.83'	120.42'	118.88'	S78-57-42E
C5	15-28-30	148.00'	20.11'	39.97'	39.85'	N12-42-28W

EXHIBIT C

PRESCOTT PLACE

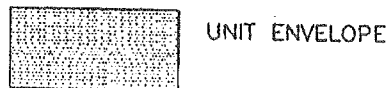
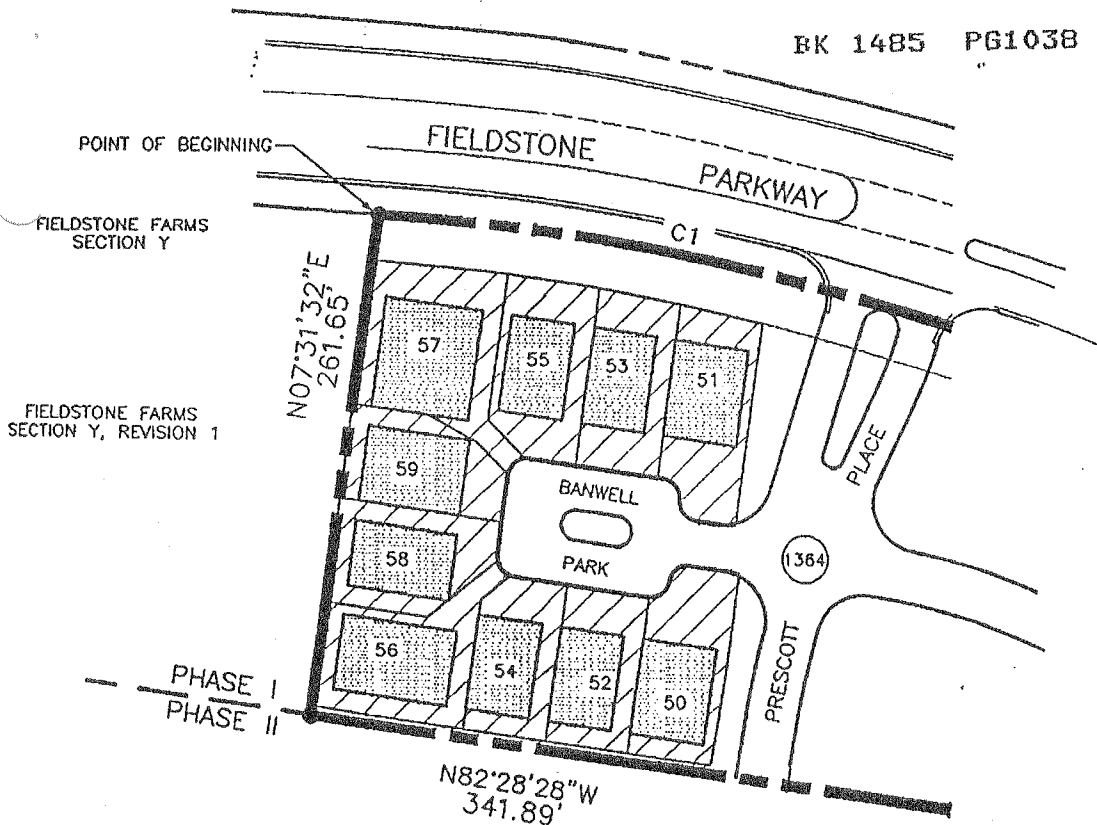
BOUNDARY PLAN FOR PHASE 1

FIELDSTONE FARMS SECTION "I"

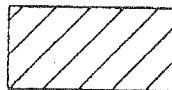
RESUBDIVISION OF LOT 1364

Fieldstone Farms

FRANKLIN WILLIAMSON CO. TENNESSEE



UNIT ENVELOPE



MAINTENANCE AREA

EXHIBIT C

PRESCOTT PLACE

BOUNDARY PLAN FOR PHASE 1

FIELDSTONE FARMS SECTION "I"

RESUBDIVISION OF LOT 1364

Fieldstone Farms

FRANKLIN WILLIAMSON CO. TENNESSEE



LITTLEJOHN ENGINEERING ASSOCIATES, INC.

EXHIBIT C
TO MASTER DEED
FOR PRESCOTT PLACE
(contd.)

AREAS OF UNITS

<u>Unit Type</u>	<u>Area (Approximate)</u>						
I. COTTAGE UNITS	1,100 square feet (min.) to 1,800 square feet (max.) of interior space depending upon Unit plan selected by Unit Owner, plus garage which will vary depending upon whether a one or two car garage is selected.						
II. COURTYARD UNITS							
a. End Units	<table> <tr> <td>Interior Space</td><td>- 1,145 sq. ft.</td></tr> <tr> <td><u>Garage</u></td><td>- 263 sq. ft.</td></tr> <tr> <td>Total</td><td>- 1,408 sq. ft.</td></tr> </table>	Interior Space	- 1,145 sq. ft.	<u>Garage</u>	- 263 sq. ft.	Total	- 1,408 sq. ft.
Interior Space	- 1,145 sq. ft.						
<u>Garage</u>	- 263 sq. ft.						
Total	- 1,408 sq. ft.						
b. Interior Units	<table> <tr> <td>Interior Space</td><td>- 1,140 sq. ft.</td></tr> <tr> <td><u>Garage</u></td><td>- 263 sq. ft.</td></tr> <tr> <td>Total</td><td>- 1,403 sq. ft.</td></tr> </table>	Interior Space	- 1,140 sq. ft.	<u>Garage</u>	- 263 sq. ft.	Total	- 1,403 sq. ft.
Interior Space	- 1,140 sq. ft.						
<u>Garage</u>	- 263 sq. ft.						
Total	- 1,403 sq. ft.						
III. VILLA UNITS							
a. Two (2) Bedroom Units	<table> <tr> <td>Interior Space</td><td>- 1,334 sq. ft.</td></tr> <tr> <td><u>Garage</u></td><td>- 272 sq. ft.</td></tr> <tr> <td>Total</td><td>- 1,606 sq. ft.</td></tr> </table>	Interior Space	- 1,334 sq. ft.	<u>Garage</u>	- 272 sq. ft.	Total	- 1,606 sq. ft.
Interior Space	- 1,334 sq. ft.						
<u>Garage</u>	- 272 sq. ft.						
Total	- 1,606 sq. ft.						
b. Three (3) Bedroom Units	<table> <tr> <td>Interior Space</td><td>- 1,444 sq. ft.</td></tr> <tr> <td><u>Garage</u></td><td>- 272 sq. ft.</td></tr> <tr> <td>Total</td><td>- 1,716 sq. ft.</td></tr> </table>	Interior Space	- 1,444 sq. ft.	<u>Garage</u>	- 272 sq. ft.	Total	- 1,716 sq. ft.
Interior Space	- 1,444 sq. ft.						
<u>Garage</u>	- 272 sq. ft.						
Total	- 1,716 sq. ft.						