

GEORGETOWN SQUARE TOWNHOMES

HOMEOWNER'S ASSOCIATION, INC.

BY-LAWS

ARTICLE ONE

NAME AND LOCATION

The name of the Corporation is GEORGETOWN SQUARE TOWNHOMES HOMEOWNER'S ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Corporation shall be located at 1631 Cambridge Drive, Murfreesboro TN 37129, but meetings of members and directors may be held at such places within the State of Tennessee, County of Rutherford, City of Murfreesboro, as may be designated by the Board of Directors.

ARTICLE TWO

DEFINITIONS

Section 1

Association shall mean and refer to GEORGETOWN SQUARE TOWNHOMES HOMEOWNER'S ASSOCIATION, INC., its successors and assigns.

Section 2

Property shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of this Association.

Section 3

Common area shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4

Unit shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common area.

Section 5

Owner shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any unit which is a part of the properties, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

Section 6

Declaration shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the office of the Register of Deeds for Rutherford County, Tennessee.

Section 7

Member shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE THREE MEMBERSHIP

Section 1

The total number of memberships shall not exceed the number of units in the project, including any future expansions of the project. Any person becoming an Owner of a unit shall automatically become a member of this Association and shall be subject to the provisions of the Articles of Incorporation and of these By-Laws. Such membership shall terminate without any Association action whenever such person ceases to own a unit, but such termination shall not relieve or release any such former Owner of any liability or obligation incurred under or in conjunction with the Association during the period of ownership or membership in the Association. No certificates of stock shall be issued by the Association, but the Board of Managers may, if it so elects, issue one (1) membership card to the Owner or Owners of a unit. Such membership card shall be surrendered whenever an ownership unit designated thereon shall terminate.

Section 2

There shall be one (1) class of membership designated Class A. Class A membership shall be entitled to one (1) vote for each unit owned.

ARTICLE FOUR MEETING OF MEMBERS

Section 1 - Annual Meetings

The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter at the hour of 7:00 p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2 - Special Meetings

Special meetings of the members may be called at any time by the President or by the Board of Directors or upon written request of the members who are entitled to vote one-half (1/2) of all the

votes. No business shall be transacted at a special meeting except as stated in the notice unless by consent of the owners of three-fourths (3/4) of the units, either in person or by proxy.

Section 3 - Notice of Meetings

Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote therein, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4 - Quorum

The presence at the meeting of members entitled to cast, or proxies entitled to cast, one-half (1/2) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or the By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote therein shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present to be represented.

Section 5 - Proxies

At all meetings of members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his unit.

ARTICLE FIVE BOARD OF DIRECTORS - SELECTION, TERM OF OFFICE

Section 1 - Number

The affairs of the Association shall be managed by a Board of five (5) Directors who must be members of the Association.

Section 2 - Term of Office

At the first annual meeting, the members shall elect two (2) Directors for a term of one (1) year; two (2) Directors for a term of two (2) years; and one (1) Director for a term of three (3) years; and at each annual meeting thereafter, the members shall elect Directors for a term of three (3) years.

Section 3 - Removal

Any Director may be removed from the Board with or without cause by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4 - Compensation

No Director shall receive compensation for any service he or she may render to the Association in directing the affairs of the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties and may be paid for such professional services rendered to the Association at its request.

Section 5 - Action Taken Without a Meeting

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as if taken at a meeting of the Directors.

ARTICLE SIX NOMINATION AND ELECTION OF DIRECTORS

Section 1

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members.

Nominations may also be made from the floor at the annual meeting.

Section 2 - Election

Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE SEVEN MEETINGS OF DIRECTORS

Section 1 - Regular Meetings

Regular meetings of the Board of Directors shall be held quarterly or more often, if necessary, without notice at such place and hour as may be fixed from time to time by Resolution of the Board.

Section 2 - Special Meetings

Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) Directors after not less than three (3) days notice to each Director.

Section 3 - Quorum

A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE EIGHT POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1 - Powers

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association for the operation and maintenance of the project including but not limited to the following:

- a. Adopt and publish rules and regulations governing the use of the common areas and facilities, and the personal conduct of the members of their guests thereon, and to establish penalties for the infraction thereof.
- b. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations. Notice will be given to any member at least five (5) days in advance stating the violation, stating a time and place for such hearing and allowing the member to present his or her rebuttal or explanation, if any, at such hearing.
- c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by the provisions of these By-Laws, the Articles of Incorporation or the Declaration.
- d. Establish, levy, assess and collect the assessments or charges that may be necessary.
- e. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- f. Appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation and require from them such bond as may be deemed necessary or required. Nothing contained in these By-Laws shall be construed to prohibit the employment of any member, officer or director of the Corporation in any other capacity whatsoever.

Section 2

It shall be the duty of the Board of Directors to:

- a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, at any special meeting, when such statement is requested in writing by one-third (1/3) of the members who are entitled to vote.
- b. Supervise all officers, agents and employees of this Association and to see that their duties are properly performed.
- c. As more fully provided in this Declaration, to (1) fix all amounts of the annual assessment against each unit at least thirty (30) days in advance of each annual assessment period, but failure to do so will not waive the Association's right to such assessment; (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and (3) foreclose the lien within a reasonable time against any property for which assessments are not paid within thirty (30) days after due date, or to bring an action at law against the Owner personally obligated to pay such assessment.
- d. Issue, or cause an appropriate office to issue, upon demand by any interested person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificates. If such certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payments as of the date of issuance.
- e. Obtain, maintain and pay for such insurance policies or bonds, whether or not required by any provision of the Declaration or By-Laws as the Association shall deem appropriate for the protection or benefit of the Association, the members of the Board of any standing committee, tenants or guests, including, but without limitation, workers compensation, malicious mischief, automobile non-ownership insurance, performance of fidelity bonds and area liability and hazard insurance.
- f. Cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.
- g. Cause the common area to be maintained.
- h. Cause the exteriors of the dwellings to be maintained as set forth in the Declaration.

ARTICLE NINE

OFFICERS AND THEIR DUTIES

Section 1 - Enumeration of Officers

The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors; a Secretary and a Treasurer; and such other officers as the Board may, from time to time by Resolution, create.

Section 2 - Election of Officers

The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3 - Term

The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4 - Special Appointments

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5 - Resignation and Removal

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt thereof or any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6 - Vacancies

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of office he or she replaces.

Section 7 - Multiple Offices

The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8 - Manager

Section 9 - Duties

The duties of the officers are as follows:

President

The President shall preside at all meetings of the Board of Directors; shall see that Orders and Resolutions of the Board are carried out; shall co-sign all leases, mortgages, deeds and other written instruments and promissory notes.

Vice President

The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act; and shall exercise and discharge such other duties as may be required of him or her by the Board.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall receive and deposit in an appropriate bank account all monies of the Association and shall disburse such funds as directed by Resolution of the Board of Directors; shall sign all checks and co-sign all promissory notes of the Association, and all leases, mortgages and other written instruments; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, delivering a copy to each of the members.

Manager

ARTICLE TEN INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify every director or officer, and his or her heirs, executors and administrators, against all loss, costs and expense, including counsel fees reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her having been made a director or officer of the Association, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his or her duty as such director or officer in relation to the matter involved. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses.

ARTICLE ELEVEN OBLIGATIONS OF THE OWNERS

Section 1 - Assessments

Except as otherwise provided in the Declaration, all owners shall be obligated to pay the monthly assessments imposed by the Association to meet the common expenses, and payment thereof shall be made not later than on the tenth (10th) day following the mailing of the monthly statement to the address of the owner. All such assessments, as set by the Board pursuant to the Declaration, Articles and By-Laws, shall be due and payable monthly in advance. A member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of members within the meaning of these By-Laws if, and only if, he or she shall have fully paid all assessments made or levied against him or her.

Section 2 - Maintenance and Repair

- a. Except as may be provided in the Declaration, every owner must perform promptly at his or her own expense all maintenance and repair work within his or her own unit which, if omitted, would affect the project in its entirety or any part belonging to another owner.
- b. All the repairs of internal installation of the unit, such as water, lights, gas, power, sewage, telephones, TV cable, sanitary installations, interior foundation repair, or any repair beneath the interior of the unit structure, doors, windowpanes, electrical fixtures, interior window casing, sills, or grids which may be removed during window replacement, and all other accessories, equipment and fixtures, including any air conditioning equipment belonging to the unit, shall be at the owner's expense, and owner shall be obligated to reimburse the Association or another unit owner upon receipt of a statement for any expenditures incurred by the Association or another unit owner, or both, in repairing, replacing or restoring any common element or any part of a unit damaged as a result of the negligent or tortious conduct of such owner, member of his or her family, his or her agent, employee, invitee, licensee or tenant.

Section 3 - Materialsman's, Judgment or Tax Liens

Each owner agrees to indemnify and to hold each of the other owners harmless from any and all materialsman's, judgment or tax liens filed against other units in the appurtenant general common elements for labor, materials, services or other products incorporated in the owner's unit. In the event suit for foreclosure for a materialsman's, judgment or tax lien is commenced, then within ninety (90) days thereafter, such owner shall be required to deposit with the Association cash or appropriate bond equal to the amount of such claim plus interest for one (1) year, together with the sum of One Hundred Dollars (\$100.00). Such sum or bond shall be held by the Association pending final adjudication or settlement of the claim for litigation. Disbursements of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid for by the subject owner and his or her failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against his or her unit which may be foreclosed as provided in the Declaration.

Section 4 - Compliance

- a. Each owner shall comply strictly with the provisions of the Declaration.
- b. Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Georgetown Square Townhomes project was built.

Section 5 - Use of Common Areas

General common elements and any limited common elements shall be used in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the owner(s).

Section 6 - Access to Unit

- a. An owner shall permit the managing agent or the person authorized by the Board of Directors the right of access to the owner's unit and lot from time to time during reasonable hours that may be necessary for the maintenance, repair or replacement of the common elements, or at any time necessary by the managing agent or Board of Directors for the making of emergency repairs to prevent damage to any of the common elements of other units.
- b. An owner shall permit other owners or their representative, when so required, to enter his or her unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided their request for entry is made in advance and such entry is at a time convenient to the owner. In the case of an emergency, such right of entry shall be immediate.

Section 7 - Rules and Regulations

- a. No resident of the project shall in any way violate the rules and regulations set forth in the Declaration. In addition, owners and occupants of units shall exercise care to avoid making or permitting to be made loud or objectionable noises, using or playing or permitting to be used or played musical instruments, radios, phonographs, television sets, amplifiers or any other instruments or devices in such a manner as may disturb or tend to disturb owners, tenants or other occupants of the units.
- b. Owners, tenants and guests shall not hang garments, rugs and other materials from the windows or from any of the facades or balconies of the buildings or any of the improvements.
- c. Owners, tenants or guests shall not throw garbage or trash outside the disposal installations provided for those purposes.
- d. No owner, tenant or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units on the exterior of the project or that protrude through the walls or the roof of the project except as expressly authorized by the Association.
- e. The rental of any unit shall be in accordance with the rules and regulations established for such rental by the Board of Directors.
- f. The Board of Directors and/or the managing agent reserves the power to establish, make and enforce compliance with such additional rules and regulations which may be necessary for the operation, use and occupancy of this planned unit development project with the right to amend same from time to time. Among those rules and regulation which

the Board of Directors may make is the prohibition of the keeping of any animals in any unit.

ARTICLE TWELVE MORTGAGES

Section 1 - Notice to the Association

Any owner who mortgages a unit shall notify the Association, giving the name and address of his or her mortgagee. The Association shall maintain such information in a book or list entitled "Mortgages of the Units."

Section 2 - Notice of Unpaid Assessments

The Association shall, at the request of a mortgagee of a unit, report any unpaid assessments due from the owner of such unit.

ARTICLE THIRTEEN COMMITTEES

The Association shall appoint an architectural control committee as provided in the Declaration, and a nominating committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE FOURTEEN BOOKS AND RECORDS

Books, records and papers of the Association shall, at all times during reasonable business hours, be subject to inspection by any member. The Declaration, Articles of Incorporation and By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, or copies may be purchased at a reasonable cost.

ARTICLE FIFTEEN ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest legal rate allowed by law, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property; and interest, cost and reasonable attorneys fees in any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape

liability for the assessments provided for herein by non-use of the common area or abandonment of his or her unit.

ARTICLE SIXTEEN
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words, "Georgetown Square Townhomes Homeowner's Association, Inc."

ARTICLE SEVENTEEN
AMENDMENTS

Section 1

These By-Laws may be amended at a meeting called for such purpose or at a regular meeting if notice is given that such action is to be taken by a vote of owners representing an aggregate interest of at least fifty percent (50%) of the ownership of units. Notice of such a meeting shall contain a summary of the proposed changes or a copy of such proposed changes.

Section 2

In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE EIGHTEEN
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all the Directors of the Georgetown Square Townhomes Homeowner's Association, Inc., have hereunto set our hands, this _____ day of _____, _____.

CERTIFICATION

I, the undersigned, do hereby certify: I am the duly elected and acting Secretary of the Georgetown Square Townhomes Homeowner's Association, Inc., a Tennessee corporation, and, that the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the incorporators thereof held on the _____ day of _____, 1984.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this _____ day of _____, 1984.

Secretary

This Instrument Prepared By:
REED, ROGERS AND TRAIL
Thomas L. Reed, Jr.
Murfreesboro, TN 37130

DECLARATION OF
GRANTS, COVENANTS, CONDITIONS
AND RESTRICTIONS ESTABLISHING A
PLAN FOR CONDOMINIUM OWNERSHIP OF
GEORGETOWN SQUARE CONDOMINIUMS

Commonwealth Development Co., a Tennessee Partnership, consisting of REED REALTY, INC., RVF, INC., KKV ENTERPRISES, INC., D. RUCKER COLLIER and THOMAS L. REED, JR., (hereinafter referred to as "Declarant"), as the owner of certain real property subject to this Declaration located in the 13th Civil District of Rutherford County, City of Murfreesboro, Tennessee, and more particularly described in Exhibit "A" attached hereto and incorporated herein, hereby makes the following grants, submissions, and declarations.

ARTICLE I: RECITALS

Section 1.1 Intention of Declarant. Declarant as the owner of the property intends to improve or has improved the property by constructing sixteen (16) condominium units in one or more buildings. Each of said structures has been or will be constructed to provide for condominium ownership under the Horizontal Property Act of the State of Tennessee. All of the property, including all structures and other improvements thereon, shall hereinafter be referred to as the "Project". Declarant reserves the right to develop fewer than sixteen (16) condominium units.

Section 1.2 Proposed Expansion. Declarant proposes to construct one or more additional buildings of the same type and one or more buildings for commercial activities (as defined and permitted by the Planned Unit Development Ordinance, Article VIII-1/2 Appendix A-Zoning, City of Murfreesboro Code) on adjacent property owned by it or to be acquired by it and desires to reserve the right to expand the Project to include any such additional buildings if and when constructed so that such additional buildings and the initial Project shall be treated as integral parts of a single condominium ownership project.

ARTICLE II: DEFINITIONS

The following terms shall have the following meanings when used, unless the context otherwise requires:

Section 2.1 Building. "Building" means any building constructed on property pursuant to this Declaration.

Section 2.2 Unit. "Unit" means an individual air space unit, consisting of enclosed rooms occupying part of a floor or floors in a Building and bounded by the interior surfaces of the perimeter walls, floor, ceiling, windows and doors thereof as shown and numbered on the Condominium Map or Maps to be filed for record, together with all fixtures and improvements therein contained.

Section 2.3 General Common Elements. "General Common Elements" means all of the Project, except all of the Units and shall include (a) the property; (b) as structural components, including, but not limited to, the foundations, columns, girders, beams, supports, main walls, roof, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances and exists of such building or buildings, partition walls, non-perimeter floors, non-perimeter division walls, chimneys, flues and heat ducts; (c) basements, green or open space areas, yards, gardens, walks, walkways, parking areas and storage spaces; (d) the premises for lodging of custodians or persons in charge of the property; (e) installations of central services such as power, lights, gas, hot and cold water, heating, refrigeration, central air conditioning, waste removal, incinerating, other utilities (including all pipes, ducts, flues, wires, cable and conduit used in connection with such items, whether located in common areas or within units); (f) the elevators, tank pumps, motors, fans, compressors, ducts in general, all apparatus and installations existing for common use; (g) such community and commercial facilities as may be provided for in the Declaration and (h) all other parts of the property necessary or convenient to its existence, maintenance and safety where normally in common use.

Section 2.4 Limited Common Elements. "Limited Common Elements" means those common elements which are either limited to and reserved for the exclusive use of an owner or are limited and reserved for use by more than one but fewer than all of the owners of the Condominium Units as designated, located or shown on the Condominium Map by legend, symbol or word.

Section 2.5 Common Elements. "Common Elements" means the general common elements and all limited common elements.

Section 2.6 Condominium Unit. "Condominium Unit" means a Unit together with an undivided interest in the Common Elements therein (expressed as a fraction of the entire ownership interest in the common elements).

Section 2.7 Owner. "Owner" means any person or entity including the Declarant, at any time owning a Condominium Unit. The term "Owner" shall not refer to any mortgagee as herein defined, unless such mortgagee has acquired title pursuant to foreclosure, or any proceeding in lieu of foreclosure.

Section 2.8 Mortgage. "Mortgage" means any mortgage, deed of trust or other security instrument by which a Condominium Unit or any part thereof is encumbered.

Section 2.9 First Mortgage. "First Mortgage" means the holder of any mortgage under which the interest of any owner is encumbered and which mortgage has first and paramount priority subject only to the lien of general or ad valorem taxes and assessments.

Section 2.10 Association. "Association" means Georgetown Square Condominium Association, Inc., a Tennessee non-profit corporation, its successors and assigns.

Section 2.11 Board of Managers. "Board of Managers" or "Board" means the governing body of the Association as provided in this Declaration, the Articles of Incorporation, and the By-Laws of Georgetown Square Condominium Association, Inc.

Section 2.12 Condominium Map. "Condominium Map" or "Map" means and includes the engineering survey or surveys of the property locating thereon the buildings, the floor plans and other drawings or diagrammatic plans, including without limitation,

charts or schedules depicting all or part of the improvements on the land and such other information as may be included thereon in the discretion of the Declarant.

Section 2.13 Condominium Declaration. "Condominium Declaration" or "Declaration" means this Declaration together with any supplement or amendment hereto recorded in the office of the Register of Deeds, Rutherford County, Tennessee.

Section 2.14 Common Expenses. "Common Expenses" means and includes (a) expenses of administration, operation and management, repair or replacement of the General Common Elements of the Project, (b) expenses declared Common Expenses by the provisions of this Declaration or the By-Laws of the Association, (c) all sums lawfully assessed against the Common Elements of the Project by the Board of Managers of the Association, (d) expenses agreed upon as Common Expenses by the Association of Unit Owners, and (e) expenses as are provided in any Management Agreement.

ARTICLE III: GRANT AND SUBMISSION OF PROPERTY

Section 3.1 Grant and Submission. Declarant hereby grants and submits the property to this Declaration.

Section 3.2 Division into Condominium Units. The real property described in Exhibit "A" is hereby divided into sixteen (16) fee simple estates. Each such estate shall consist of the separately designated units and the undivided interest in and to the general common elements appurtenant to each unit as set forth therein.

Section 3.3 Condominium Unit Modification Reservation. Declarant reserves the right to: (a) physically combine the space within one unit with the space within one or more adjoining units; or (b) to combine a part of or combination of parts of the space within one unit with part or parts of the space within one or more adjoining units; or (c) to add additional units to the coverage of this Declaration in accordance with the provisions of Paragraphs 25 and 26 below herein. If Declarant makes any such physical changes to units as set forth in (a) or (b), such changes shall be made by a revision or amendment to the Map reflecting the reapportioned undivided interests of the affected units; provided, however, that the written consent of the mortgagee(s) of any such affected unit(s) shall be first obtained, and the costs and expense incurred for legal, architectural or engineering fees shall be borne by that person requesting such physical change(s). In the event that within ten (10) years from the date of recording of this Declaration, the Declarant has not filed maps covering the entire condominium project, then and in such event, and by operation of law, the then owners of all condominium units at that time depicted and described by filed Maps shall have their proportionate interest in the general common elements covered by filed Maps adjusted as set forth in Section 26.2.

Section 3.4 Covenants Running with the Land. All provisions hereof shall be deemed to be covenants and running with the land, or as equitable servitudes, as the case may be, and shall inure to the benefit of and be binding upon Declarant, its successors and assigns and to all persons hereafter acquiring or

owning any interest in the project or in any Condominium Unit, however, such interest may be acquired.

ARTICLE IV: CONDOMINIUM MAP

Section 4.1 Description. The Map shall be filed for record in the office of the Register of Deeds, Rutherford County, Tennessee. The Map may be filed in whole or in parts or sections, from time to time, as stages of construction of the Units and other improvements are substantially completed. Each section of the Map filed subsequent to the first or initially filed Map shall be termed a supplement to such Map and the numerical sequence of such supplements shall be shown thereon. The Map or any part or section thereof depicting Units shall not be filed for record until the building in which the Units are located has been substantially completed in order to permit the location thereof, both horizontally and vertically, by registered engineers. The Map shall be filed for record prior to the conveyance of the Condominium Unit to the purchaser. The Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the building on the land, the floor and elevation plans, the location of the Units within the building, both horizontally and vertically; the thickness of the common walls between or separating the Units; the location of any structural components or supporting elements of the building. The Map shall contain a certificate of a registered, professional engineer or licensed architect, or both, certifying that the map substantially depicts the location and the horizontal and vertical measurements of the building, the Units, the Unit designations, the dimensions of the Units, the elevations of the unfinished floors and ceilings as constructed, the building named or designation, and that such Map is prepared subsequent to the substantial completion of the improvements. Each supplement or any amendment shall set forth a like certificate when appropriate. The Declarant contemplates a Condominium Project containing one or more buildings for commercial activities (as defined and permitted by the Planned Unit Development Ordinance, Article VIII-1/2, Appendix A-Zoning, City of Murfreesboro Code). Declarant hereby reserves, whether such reservation is stated on the Map or not, the right, consistent with existing Zoning Laws, rules and regulations, to construct additional Condominium Units and buildings, not designated thereon, and the right to convey such Condominium Units as they are completed and after supplements thereto are recorded.

Section 4.2 Interpretation. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries.

Section 4.3 Amendment. Declarant reserves the right to amend the Map, from time to time, to conform it to the actual location of any of the constructed improvements and to establish, vacate, and relocate outside the building utility easements, access road easements and parking areas.

ARTICLE V: EASEMENTS FOR ENCROACHMENTS

Section 5.1 Easements. If any portion of the common elements now encroaches upon any Unit or if any Unit now encroaches upon any other Unit or upon any portion of the common elements, as a result of the construction of the buildings, or if any such encroachment shall occur hereafter as a result of

construction of the buildings, or if any such encroachment shall occur thereafter as a result of settling or shifting of any building or for any other reason, a valid easement for the encroachment and for the maintenance of the same so long as the building stands shall exist. In the event any building, or any adjoining common element shall be partially or totally destroyed as a result of condemnation or eminent domain proceedings, and then re-built, encroachments of parts of the common elements upon any Unit or upon any portion of the common elements due to this re-building, shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the building shall stand. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Condominium Unit.

ARTICLE VI: INCIDENTS OF CONDOMINIUM OWNERSHIP

Section 6.1 Limited Common Elements. A portion of the general common elements is reserved for the exclusive use of the individual owners of the prospective Units, and such areas are referred to as "Limited Common Elements". The limited common elements so reserved shall be identified on the Map; provided, however, that any walkway, attic, court, patio, balcony, deck, or driveway which is accessible from, associated with and which adjoins a unit and any other limited common element so identified on the Map shall, without further reference thereto, be used in connection with such Units to the exclusion of the use thereof by the other owners of the general common elements, except by invitation. All of the owners of Condominium Units in this Condominium Project shall have a non-exclusive right in common with all of the other owners to the use of sidewalks, pathways, roads, areas provided for community recreation, utilities, green areas, and streets located within the entire Condominium Project. No reference thereto, whether such limited common elements are exclusive or non-exclusive, need to be made in any deed, instrument of conveyance or other instrument.

Section 6.2 Title. Title to a Condominium Unit may be held or owned by any person or entity and in any manner in which title to real property may be held or owned in the State of Tennessee.

Section 6.3 Inseparability. Each Condominium Unit shall be inseparable from the undivided interest in and to the common elements appurtenant thereto and no such Unit shall be conveyed, leased, devised, mortgaged or otherwise transferred except as a complete Condominium Unit as defined herein in Section 2.6. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Condominium Unit or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire Condominium Unit, together with all appurtenant rights created by law or by this Declaration.

Section 6.4 No Partition. The common elements shall be owned in common by all the owners of Condominium Units, and neither an owner, group of owners nor the Association shall bring any action for partition or division of the common elements. Nothing contained herein shall be construed as a limitation of the right of partition of a Condominium Unit between the owners thereof, but such partition shall not affect any other Condominium Unit or the general common element.

Section 6.5 Owners' Rights To Common Elements. Subject to the limitations contained in this Declaration, any owner shall have the non-exclusive right to use and enjoy the general

common elements and shall have the exclusive right to use and enjoy the limited common elements designated herein for exclusive use by such owner.

Section 6.6 Separate Tax Assessments. Upon the recording of this Declaration and the filing of the Condominium Map for record in Rutherford County, Tennessee, Declarant shall deliver a written notice to the Assessor of Property, which notice shall set forth the descriptions of the Condominium Units, so that thereafter all taxes, assessments and other charges of the State or any political subdivision or any special improvement district or any other taxing agent or assessing authority shall be assessed against and collected on each Condominium Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment, valuation of the common elements shall be apportioned among the Units in proportion to the fractional interest in the common elements appurtenant to such Units. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessment or other governmental charge shall divest or in any way affect the title to any other Condominium Unit.

Section 6.7 Access To Units For Maintenance, Repair and Emergencies. The owners shall have the irrevocable right to be exercised by the Managing Agent, Board of Managers of the Association or their delegated representatives, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom. Such right of access shall be immediate for the making of emergency repairs therein in order to prevent damage to the common elements or to another Unit. The Association shall also have all the foregoing rights independent of any agency relationship. Damage to the interior of any part of the Unit resulting from the maintenance, repair, emergency repair, or replacement of any of the common elements or as a result of emergency repairs within another Unit shall be a common expense of all of the owners. If such damage is caused by a negligent or tortious act of an owner, members of his family, his agent, employee, invitee, licensee, or tenant, then such owner shall be responsible and liable for all such damage. All damaged improvements shall be restored to substantially the same condition in which they existed prior to the damage. All maintenance, repairs, and replacements of the common elements, whether located inside or outside of Units (unless necessitated by the negligence, misuse or tortious acts of a Unit owner in which case such expense shall be charged to such Unit owner), shall be the common expense of all of the owners.

Section 6.8 Association's Right To Use Of Common Elements. The Association shall have a non-exclusive easement to make such use of the common elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain in the general common elements maintenance and storage facilities for use by the Association.

ARTICLE VII: DESCRIPTION OF CONDOMINIUM UNITS

Section 7.1 Contracts Prior To Filing Map. A contract for the sale of a Condominium Unit prepared prior to the filing of the Map may describe the Condominium Unit by the number on the Unit followed by the words "Georgetown Square Condominiums, Rutherford County, Tennessee".

Section 7.2 Description After Map Is Filed. Subsequent to the filing of the Map and recording of this Declaration, every deed, lease, mortgage, trust deed, will or other instrument may legally describe a Condominium Unit by its Unit designation, followed by the words "Georgetown Square Condominiums" with further reference to the Map thereof filed for record and the recorded Declaration. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Unit but also the interest in the common elements appurtenant thereto. Each such description shall be construed to include a perpetual, non-exclusive easement for ingress and egress to and from an owner's Unit on, over, and across any private street and exclusive use of the limited common elements appurtenant thereto. The reference to the Map and Declaration in any instrument shall be deemed to include any supplements to the Map or Declaration without specific reference thereto. Said description shall be generally in the following form:

Unit _____, Georgetown Square Condominiums, Rutherford County, Tennessee, as shown in Plat Book _____, Page _____, and subject to the Declaration for Georgetown Square Condominiums recorded in Book _____, Page _____, both of the Register's Office of Rutherford County, Tennessee.

ARTICLE VIII: TERMINATION OF MECHANICS' LIEN RIGHTS AND INDEMNIFICATION

Section 8.1 Mechanics' Liens. Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Condominium Unit with the consent or at the request of the owner thereof, his agent, contractor or sub-contractor, shall be the basis for filing a lien against the Condominium Unit of any other owner not expressly consenting to or requesting the same, or against the common elements. Each owner shall indemnify and hold harmless each of the other owners from and against all liability arising from the claim of any lien claimant against the Condominium Unit of any other owner or against the common elements for construction performed or for labor, materials, services, equipment, or other products incorporated into the owner's Condominium Unit at such owner's request or with his consent. The provisions of this Article VIII shall not apply to any labor performed or materials furnished at the request of the Managing Agent or Board of Managers of the Association. At the written request of any owner, the Association shall enforce such indemnity by collecting from the owner of the Unit on which the labor was performed or materials furnished the amount necessary to discharge any such lien, including all costs incidental thereto, including reasonable attorneys' fees, and obtaining a discharge of the lien. Such collection shall be made by special assessment pursuant to Article XII.

ARTICLE IX: THE ASSOCIATION

Section 9.1 The Association. The administration of the Condominiums shall be governed by this Declaration, the Articles of Incorporation, and the By-Laws of the Georgetown Square Condominium Association, Inc., a Tennessee non-profit corporation, as same may be amended from time to time in accordance with terms set forth therein.

Section 9.2 Membership. An owner of a Condominium Unit shall automatically become a member of the Association and shall remain a member for the period of his ownership. If title to a Condominium Unit is held by more than one person, the membership related to that Condominium Unit shall be shared by all such persons in the same proportion of interests and by the same type of tenancy in which the title to the Condominium Unit is held. An owner shall be entitled to one membership for each Condominium Unit owned by him. Each membership shall be appurtenant to the Condominium Unit and shall be transferred automatically by conveyance of the Condominium Unit. No person or entity other than an owner may be a member of the Association, but the rights of membership may be assigned to a mortgagee as further security for a loan secured by a lien on a Condominium Unit.

Section 9.3 Transfer. Except as otherwise expressly stated herein, any of the rights, interest and obligations of the Association set forth herein or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer or assignment shall not revoke or change any of the rights or obligations of any owners as set forth herein.

ARTICLE X. MAINTENANCE RESPONSIBILITY

Section 10.1 By The Owner. For maintenance purposes, an owner shall be obligated to keep in good repair and condition the supporting walls, the materials such as, but not limited to, plaster, gypsum drywall, paneling, wall paper, paint, wall and floor tile and flooring, but not including the sub-flooring, which make up the finished surfaces of the perimeter walls, ceilings and floors within his Unit, including Unit doors and windows. The lines, pipes, wires, conduits or systems (which for brevity are herein and hereafter referred to as utilities) running through his Unit which serve one or more other Units are general common elements. Such utilities shall not be disturbed or re-located by an owner without the written consent and approval of the Board. An owner's right to repair, alter, and remodel the interior of his Unit shall be coupled with the obligation to replace any furnishing or other materials removed with similar or other types or kinds of materials of at least the same quality. An owner shall maintain and keep in repair the interior of his own Unit, including the fixtures thereof. All fixtures and equipment installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in good repair and condition by the owner thereof. An owner shall do no act nor any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament. An owner shall always keep the limited common elements appurtenant to his Unit in a clean and sanitary condition, and an owner shall not alter the "as built" condition of the limited common element without the prior written consent of the Board. An owner shall reimburse the Association for any expenditure incurred for replacing or repairing of any element and facility damaged through fault of an owner, his guests, invitees or tenants, and the Association shall be entitled to assess such owner for such amounts which shall be payable, collectible, and enforceable in the same manner as assessments pursuant to Article XII. No owner shall alter any common element without the prior written consent of the Association.

Section 10.2 By The Association. The Association shall maintain and keep in good repair, as a common expense, all the Condominium property not required to be maintained and kept in good repair by an owner.

ARTICLE XI: CERTAIN RIGHTS AND OBLIGATIONS OF
THE ASSOCIATION

Section 11.1 Common Elements. The Association, subject to the rights of owners with respect to the interior of the Units, shall be responsible for the exclusive management and control of the common elements and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition. The Association shall be responsible for the maintenance and repair of exterior surfaces of the building, including without limitation, painting as often as necessary, the replacement of trim and caulking, the maintenance and repair of roofs, the maintenance and repair of other common elements, including utility lines, and other improvements or material located within or used in connection with the common elements. The specifications of duties of the Association with respect to particular common elements shall not be construed to limit its duties with respect to other common elements, as set forth in the first sentence of this section. The cost of such management, operation, maintenance and repair by the Association shall be borne as provided in Article XII.

Section 11.2 Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, snow removal, pool service, grounds maintenance, sewer service and other common services to each Unit. The cost of such services shall be borne as provided in Article XII.

Section 11.3 Personal Property For Common Use. The Association may acquire and hold for the use and benefit of all of the owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and a beneficial interest in each such property shall be deemed to be owned by the owners in the same proportion as their respective interests in the common elements. Such interests shall not be transferrable except with the transfer of a Condominium Unit. The transfer of a Condominium Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

Section 11.4 Rules And Regulations. The Association may make reasonable rules and regulations governing the use of the Units and the common elements, which rules and regulations shall be consistent with the rights and duties established in

this Declaration. Each owner shall comply with the provisions of this Declaration, the Articles of Incorporation, and By-Laws of the Association, and the Rules and Regulations, decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully adopted and amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both and for reimbursement of all attorneys' fees and other expenses incurred in connection therewith, which action shall be maintainable by the Board or the managing agent in the name of the Association on behalf of the owners or, in a proper case, by an aggrieved owner.

Section 11.5 Identity Of Board Of Managers. From time to time, but no less than annually, there shall be mailed by the Association to each owner a notice containing the names and addresses of the members of the Board of Managers and the Managing Agent, if any.

ARTICLE XII: ASSESSMENTS

Section 12.1 Obligation. All owners shall be obligated to pay the estimated assessments imposed by the Board of Managers to meet the common expenses of maintenance, operation, and management of the Condominium Property. The assessments shall be made according to each owner's interest in and to the general common elements. The Board may establish any reasonable system for collection periodically of common expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated common expenses on the annual basis shall be made by the Board and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year the Board shall determine actual expenses and either assess each owner or credit against the next ensuing calendar month as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall from time to time determine to be paid by all of the owners. Estimated expenses include maintenance, repair, operation, additions, alterations, and improvements of and to the general common elements, which sum may include, but shall not be limited to, expenses of management; taxes and special assessments until separately set; premiums for insurance; landscaping and care of grounds; common lighting; repairs and renovations, including re-painting or otherwise refinishing the building exteriors; trash and garbage collections; wages; common water and sewer charges; legal and accounting fees; management fees; expenses and liabilities incurred by the Managing Agent or Board on behalf of the Unit owners under or by reason of this Declaration and the Articles of Incorporation and By-Laws of the Association; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, working capital, capital improvement and sinking funds as well as other costs and expenses relating to the general common elements. The omission or failure of the Board to fix the assessments for any assessment period shall not be deemed a waiver, modification or release of the owners from their obligation to pay the same. The Board shall have the right but not the obligation to make pro-rata refunds of assessments in excess of the actual expenses incurred prior to the end of the fiscal year. In the event the ownership of a Condominium Unit, title to which is derived from Declarant, commences on a day other than the first day of the assessment period, the assessment for that period shall be pro-rated.

Section 12.2 Apportionments. The percentage of common expenses to be paid by the Condominium owners shall be equal to such owner's appurtenant interest in and to the common elements. Declarant shall be considered to own only the undivided interest in common elements based upon Condominium Units which have been completed but not conveyed by Declarant.

Section 12.3 Time For Payment Of Assessments. Assessments shall be due and payable ten (10) days from the due date for payment thereof. Each monthly assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within ten (10) days after such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the owner of any Condominium Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date ten (10) days after such notice shall have been given. The Association may elect to have the annual assessments paid quarterly.

Section 12.4 Special Assessments For Capital Improvements. In addition to the annual assessments authorized by this Article, the Association may levy in any assessment year a special assessment, payable over such a period as the Association may determine, for the purpose of deferring, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof or for any other expense or purchase incurred or to be incurred as provided in this Declaration. This section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the matter of assessing for expenses authorized by other sections hereof which shall make specific references to this Article. Any amounts assessed pursuant hereto shall be assessed to owners in proportion to their respective undivided interests in the common elements. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the owners and no payment shall be due less than thirty (30) days after such notice shall have been given. A special assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.

12.5 Assessment Lien. All sums assessed but unpaid for the share of common expenses chargeable to any Condominium Unit shall constitute a lien on such Unit superior to all other liens and encumbrances, except only for tax and special assessment liens made by governmental entities on the Condominium Unit in favor of any assessing governmental entity, and all sums unpaid on a first mortgage or first Deed of Trust of record, including all unpaid obligatory sums that may be provided by such encumbrances. To evidence such lien, the Board or Managing Agent shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the owner of the Condominium Unit and a description of the Condominium Unit. Such notice of lien shall be signed by a member of the Board or by the Managing Agent on behalf of the Board and shall be recorded in the office of the Register of Deeds in Rutherford County, Tennessee. Such lien shall attach and be effective from the due date of the assessment until all sums, with interest and other charges thereon shall have been fully paid.

Section 12.6 Foreclosure On Lien. Such lien provided for in Paragraph 12.5 may be enforced by the foreclosure of the

defaulting owner's Condominium Unit by the Association in like manner as a mortgage on real property upon the recording of a notice of claim thereof. If the owner fails to pay the said sums of money due, together with the cost of collection, including reasonable attorneys' fees, the Association or Managing Agent is hereby authorized and empowered upon giving twenty one (21) days' notice, by publication once a week for three (3) consecutive weeks in some newspaper published in Rutherford County, Tennessee, to sell said Condominium Unit at the Courthouse door in said county to the highest bidder for cash and free from the equity of redemption, homestead, dower, and all other exemptions of every kind, which are hereby expressly waived by the Condominium Unit owner, and the Association or Managing Agent is authorized to make a deed to the purchaser. In any such proceeding, the owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred for filing the lien and in the event of foreclosure proceedings, all additional costs, all expenses, and attorneys' fees incurred in connection with such proceeding. The owner of the Condominium Unit being foreclosed shall be required to pay to the Association the monthly assessment for the Condominium Unit during the period of foreclosure and the Association shall be entitled to a receiver during foreclosure to collect the same from the defaulting owner or successors to such owner or from profits accruing from the Unit. The Association shall have the power to bid in the Condominium Unit at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact for the same purposes and in the same order as is provided in sub-paragraph 24.3 (a) through (f).

Section 12.7 Personal Obligation. The amount of any assessment chargeable against any Condominium Unit shall be a personal and individual debt of the owner thereof. No owner may exempt himself from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the common elements. Suit to recover a money judgment for unpaid common expenses plus interest and expenses, including attorneys' fees, shall be maintainable without foreclosure or waiving the assessment lien provided herein.

Section 12.8 Notice To Mortgagee. Any mortgagee holding a lien on a Condominium Unit may pay, but shall not be required to pay, any unpaid common expenses payable with respect to such Unit, and upon such payment, such encumbrancer shall have a lien on such Unit for the amount paid of the same rank as the lien of his mortgage or encumbrance without the necessity of having to record a notice or claim of such lien. Upon request of a mortgagee, the Association shall report to the mortgagee of a Condominium Unit any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due; provided, however, that a mortgagee shall have furnished to the Managing Agent or to the Board notice of such encumbrance and the mortgagee's desire to be informed of such delinquency.

Section 12.9 Release Of Lien. The recording lien provided for in Section 12.5 may be released by recording a Release of Lien to be signed by a member of the Board or by the Managing Agent on behalf of the Association.

Section 12.10 Statement Of Status Of Assessment Payment. Upon written request for a statement of account by an owner or his agent, prospective mortgagee or prospective grantee of a Condominium Unit, the Board or the Managing Agent shall fur-

nish a written statement of the amount of any unpaid expenses, the amount of the current assessments, the dates that assessments are due, the amount of any advanced payments made, prepaid items such as insurance premiums and reserves therefor, deficiencies in reserve accounts, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request shall be complied with within ten (10) days after receipt of such written request, all unpaid common expenses which become due prior to the date of such request shall be subordinate to the rights of the person requesting such statement. A service fee of not more than \$100.00 shall be paid for furnishing the statement of account. The provisions set forth in this Sub-section shall not apply to the initial sales and conveyances of the Condominium Units made Declarant, and such sales shall be free from all common expenses to the date of conveyance made or to a date as agreed upon by Declarant and Declarant's grantee.

Section 12.11 Personal Liability Of Purchaser For Assessments. Subject to the provisions of Section 12.10 a purchaser of a Condominium Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium Unit up to the time of conveyance to purchaser, without prejudice to purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

Section 12.12 Assessment Reserves. Each owner, other than Declarant, may be required to deposit and maintain with the Association an amount equal to up to three times the amount of the estimated monthly common assessments to be held without interest which sum shall be used by the Association or Managing Agent as a reserve for paying such owner's monthly common assessment, for purchase of equipment, supplies and for working capital of the Association. Such advance payment shall not relieve an owner from making the regular monthly payment of the common assessment as the same becomes due. Upon the sale of a Condominium Unit, an owner shall be entitled to a credit from his grantee for any unused portion thereof.

ARTICLE XIII: RESTRICTIVE COVENANTS AND OBLIGATIONS -- USE OF CONDOMINIUM UNITS

Section 13.1 Residential. The Condominium Units are hereby restricted to residential use and uses related to the convenience and enjoyment of such residential use. All buildings and structures erected upon the property shall be of new construction, and no buildings or structures shall be moved from other locations onto the premises and no improvements other than those depicted on the Map shall be erected or constructed on the property except by vote of the majority of the owners. No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other out building shall be used or permitted to be kept or stored on any portion of the premises at any time, either temporarily or permanently.

Section 13.2 Sales And Construction Facilities Of Declarant. Notwithstanding any provision in Section 13.1, Declarant, its agent, employees and contractors shall be permitted to maintain during the period of construction and sale of the Condominium Units in the project upon such portion of the property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Condominium Units and interests, including but not without limitation, a business office, storage area, construction yards, signs, model units, sales office, construction office, parking areas and lighting and temporary parking facilities for all prospective tenants or purchasers of Declarant.

Section 13.3 No Other Business. No other business activity of any kind shall be conducted in any Condominium Unit or in the project.

Section 13.4 Rights Of Association To Own Units And To Use Common Elements. The Association shall have the right but not the obligation to purchase and own any Condominium Unit for the purpose of maintaining an office for the Association for storage, recreation, or conference area or any other use which the Association determines is consistent with the operation of the residential Condominiums. The Association may also maintain offices, storage areas, conference areas, and recreation areas elsewhere within the common elements.

Section 13.5 Compliance With Law. No immoral, improper, offensive or unlawful use shall be permitted or made of the Condominium property or any part thereof. All valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over the project shall be observed.

Section 13.6 Rules And Regulations. Rules and regulations may be adopted by the Board of Managers concerning and governing the use of the general and limited common elements provided such rules and regulations shall be furnished to Unit owners prior to the time they become effective and that such rules and regulations shall be uniform and non-discriminatory.

Section 13.7 No Unauthorized Additions, Alterations, or Decorations. Except for those improvements erected or installed by Declarant, no exterior additions, alterations or decorations to any building, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Board of Managers as to conformity and harmony of external design and location with existing structures in the project. Except in areas defined as a limited common element, no planting or gardening shall be permitted. The Board may adopt architectural and landscaping controls permitting an owner to install fences, hedges, walls, and other structures within a limited common element, provided that such controls are uniform and non-discriminatory.

Section 13.8 Animals. No animals, livestock, reptiles or birds shall be kept on any part of the project, except that domesticated dogs, cats, birds and fish may be kept on the project, subject to ordinances of the City of Murfreesboro and subject to rules and regulations promulgated by the Association in regard thereto, provided that they are not kept for any commercial purposes. An owner is responsible for any damage caused by his animal(s) and shall be obligated to clean up after his animal(s) on the project. No animals shall be allowed to remain tied or chained to any balconies, patios, or other parts of a Condominium Unit and any such animal(s) so tied or chained may be removed by the Board, the Managing Agent, or Agent of the Board. No pet shall be kept in the common elements.

Section 13.9 Signs. No signs, except one "For Sale" or "For Lease" sign shall be placed or permitted for such purposes on a Condominium property. No other signs of any kind or advertising device of any kind shall be permitted except those erected upon discretion of the Board and those identifying this Condominium project, the selection and location of which is reserved to Declarant until this project has been fully developed and all of the Condominium Units have been sold, at which time such authority shall vest in the Board.

Section 13.10 Antennae. No radio, television, or other type of antenna shall be installed or permitted that is not located wholly within a Unit or the attic area appurtenant thereto, unless otherwise approved by the Board. The Association may install one or more antennae for the use of owners.

Section 13.11 Garage Use. All garage doors of Condominium Units shall be kept in a closed position, except when an automobile is entering or leaving the garage area. No campers, running gear, boats, trucks, trailers, snowmobiles, motorcycles, or other such items shall be permitted, placed or allowed to be parked or maintained on any part of the Condominium project except wholly within an enclosed garage area.

Section 13.12 Exterior Maintenance. Except for the repair and maintenance of the air conditioning and utility service equipment located on the exterior of the Units and the work permitted to be done on or in the patio area as is provided in this Declaration, no work of any kind shall be done by a Unit owner on the exterior of the Unit or upon the general or any limited common element.

Section 13.13 Trash And Rubbish. All trash, rubbish, and garbage shall be regularly removed from each Condominium Unit and site and from the Condominium project and shall not be allowed to accumulate either within a Condominium Unit or on the Condominium project. No clothes lines shall be permitted on the Condominium project.

Section 13.14 Nuisances. No nuisances shall be allowed on the Condominium property nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the property of its residents. All parts of the property, including the interior of each Condominium Unit, shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate nor any fire hazard to exist. No Unit owner shall permit any use of his Unit or make use of the common elements which will increase the rate of insurance upon the Condominium property.

Section 13.15 Leasing. No portion of a Unit, other than the entire Unit may be leased or rented. The Unit owner shall notify the Board of such leasing arrangements and shall furnish a signed copy of the lease to the Board.

Section 13.16 Utility Services. All utility services and lines shall be placed underground and the Association shall have the right and power to grant easements therefor over general or limited common elements.

ARTICLE XIV: INSURANCE

Section 14.1 Comprehensive General Liability And Property Damage Insurance. The Board of Managers shall obtain and maintain to the extent obtainable, the following insurance:

(a) Fire insurance with extended coverage, vandalism, and malicious mischief endorsements, insuring the entire Condominium improvements (including all of the Units, fixtures therein initially installed by the Declarant, but not including furniture, furnishings or other personal property supplied by or installed by Unit owners) together with all service equipment contained therein in an amount

equal to the full replacement value, without deduction for depreciation. All such insurance shall contain a standard mortgagee clause in favor of each holder of mortgage or Deed of Trust on a Condominium Unit which shall provide that the loss, if any, thereunder shall be payable to such holder as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers hereinafter set forth in Section 24;

(b) Public Liability Insurance in such amounts as the Board of Managers may from time to time determine, covering each member of the Board, the Managing Agent, and each Unit owner. Further, the Board of Managers shall have the right to obtain and maintain Directors' and Officers' liability insurance in such limits as the Board of Managers may from time to time determine is required. Such public liability coverage shall also cover cross liability claims of one insured against the other.

Section 14.2 Additions, Etc. Each Unit owner, other than the Developer, shall notify the Board in writing of any additions, alterations or improvements to his Unit and he shall be responsible for any deficiency in any insurance loss recovery resulting from his failure so to notify the Board. The Board shall use reasonable effort to obtain insurance on any such additions, alterations or improvements if such owner requests it to do so and if such owner shall make arrangements satisfactory to the Board to reimburse it for any additional premiums attributable thereto; and in the absence of insurance on such additions, alterations or improvements, the Board shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. All such policies of insurance shall insure additions, alterations or improvements made by the Developer. All such policies of insurance shall contain standard mortgage clause endorsements in favor of the mortgagee of each Unit and that such policy shall not be terminated, cancelled or substantially modified without at least ten (10) days' prior written notice to the mortgagee of each Unit.

Section 14.3 Public Liability And Property Damage Insurance. All policies of public liability insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) day's prior written notice to all of the insureds, including the mortgagees. Certificates of insurance of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the entire Condominium improvements, without deduction for depreciation, for the purpose of determining the amount of the insurance to be affected pursuant to the provisions of this insurance paragraph; provided, however, that such insurance policy may, at the discretion of the Board of Managers, contain a co-insurance clause for not less than ninety percent (90%) of the full replacement costs.

Section 14.4 Workmen's Compensation Insurance. The Board shall acquire Workmen's Compensation Insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board shall elect to effect.

Section 14.5 Insurance Expense. Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Board and the cost of any appraisal which the Board deems advisable in connection with any insurance shall be common expenses.

Section 14.6 Additional Coverage. Unit owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided, further, that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any Unit owner. Insurance coverage on furnishings and other items of personal or other property belonging to an owner and public liability coverage within each Unit shall be the sole and direct responsibility of the Unit owner thereof, and the Board and the Association shall have no responsibility therefor.

Section 14.7 Services Of Trustee. The Board may engage the services of any bank or trust company authorized to do business in Tennessee to act as trustee or agent on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds under any policy provided for in Section 14.1 of this Article and resulting from any loss, upon such terms as the Board shall determine consistent with the provisions of this Declaration. In the event of any loss resulting in the destruction of the major portion of one or more Units, the Board shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or owner of any Unit so destroyed. The fees of such corporate trustee shall be common expenses.

ARTICLE XV: OBSOLESCENCE

Section 15.1 Renewal And Reconstruction. The owners representing an aggregate ownership of seventy-five percent (75%) or more may agree that the Condominium property is obsolete and adopt a plan for the renewal and reconstruction, which plan has the unanimous approval or consent of every First Mortgagee of a Condominium Unit. If a plan for the renewal or reconstruction is adopted, notice of such plan shall be recorded, and the expense of renewal and reconstruction shall be payable by all of the owners as common expenses; provided, however, that an owner not a party to such a plan for renewal or reconstruction may give written notice to the Association within fifteen (15) days after the date of adoption of such plan that his Condominium Unit shall be purchased by the Association for the fair market value thereof. The Association shall then have thirty (30) days within which to cancel the plan. If such plan is not cancelled, the Condominium Unit of the requesting owner shall be purchased according to the following procedures. If such owner and the Association can agree on the fair market value thereof, then such sale shall be consummated within thirty (30) days after such agreement. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencement date" from which all periods of time mentioned hereafter shall be measured. Within ten (10) days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an appraiser. If either party fails to make such

a nomination, the appraiser nominated shall, within five (5) days after default by the other party, appoint and associate with him another appraiser. If the two designated or selected appraisers are unable to agree, they shall appoint another appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, each appraiser previously appointed shall nominate two appraisers, and from the names of the four appraisers so nominated one shall be drawn by lot by any judge of any court of record in Tennessee, and the name so drawn shall be such umpire. The nomination from whom the umpire is to be drawn by lot shall be submitted within ten (10) days of the failure of the two appraisers to agree, which, in any event, shall not be later than twenty (20) days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, then such decision of the umpire shall be final and binding and a judgment based upon the decision rendered may be entered in any court having jurisdiction thereof. The expenses and fees of such appraisers shall be borne equally by the Association and the owner. The sale shall be consummated within fifteen (15) days thereafter, and the Association, as attorney-in-fact, shall disburse such proceeds for the same purposes and in the same order as is provided in Sub-section 24.3 (a) through (f).

Section 15.2 Sale Of Property. At any time subsequent to the expiration of twenty-five (25) years from the date of recording of this Declaration, the owners representing an aggregate ownership interest of eighty-five percent (85%), or more, of the general common elements, may agree that the Condominium Units are obsolete and that the same should be sold. Such plan or agreement must have the unanimous approval of every first mortgagee. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire premises shall be sold by the Association, as attorney-in-fact for all of the owners, free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation, and the By-Laws. The sales proceeds shall be apportioned among the owners of the basis of each owner's interest in the general common elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the owner. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount (of each) of such accounts, without contribution from one account to another for the same purposes and in the same order as is provided in Sub-section 24.3 (a) through (f).

ARTICLE XVI: CONDEMNATION

Section 16.1 Consequences Of Condemnation. In the event of condemnation of any portion of the Condominium project hereinabove described, its general or limited common elements, and Condominium Units constructed there upon, by any entity having the authority and right of condemnation, the same provisions as set forth in Article XXIV related to destruction or damage shall apply except that the proceeds of such condemnation shall be utilized in lieu of insurance proceeds as therein set forth.

ARTICLE XVII: GENERAL RESERVATIONS

Section 17.1 Reservation Of Easements. Declarant hereby reserves the right to convey to any municipality, water district, sanitary sewer district, or other municipal or quasi-municipal corporation all sewer lines and mains and water mains and pipe lines constructed or to be constructed on lands described in Exhibit "C", together with suitable rights of way over said land for the confirmed maintenance, repair, replacement and operation thereof.

Section 17.2 Further Reservation. So long as Declarant owns any interest in the property described in Exhibit "C", attached hereto, it reserves the right to construct and complete the construction of residences, buildings, drives, lanes, roads, and all other improvements on said property, and in connection therewith reserves the right to use and excavate the surface and sub-surface of the ground for the erection, construction and installation of said improvements and foundations, footings, floorings, and basements. Declarant reserves the right to create limited common elements appurtenant to residences located in buildings to be constructed in the future, and reserves the right to grant the exclusive use thereof to the adjoining Unit.

ARTICLE XVIII: REVOCATION OR AMENDMENT OF DECLARATION

Section 18.1 Revocation. This Declaration shall not be revoked unless all the owners and all the holders of any recorded first mortgage covering or affecting any or all of the Condominium Units unanimously consent and agree to such revocation by instrument(s) duly recorded.

Section 18.2 Amendment. This Declaration shall not be amended unless the owners representing an aggregate ownership interest of sixty percent (60%), or more, of the general common elements and sixty percent (60%) of the holders of recorded first mortgages or Deeds of Trust consent and agree to such amendment by instrument(s) duly recorded and until all Units are conveyed to third parties, the Declarant must also consent and agree to such amendments by an instrument or instruments duly executed and recorded; provided, however, that the undivided interest in the general common elements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of all of the Unit owners and all of the holders of any recorded mortgage or Deed of Trust as expressed in an amended Declaration duly recorded.

ARTICLE XIX: MISCELLANEOUS PROVISIONS

Section 19.1 Mailing Address. Each owner shall register his mailing address with the Association, and all notices, demands and statements shall be sent by regular United States mail, postage prepaid, addressed in the name of the owner at such registered mailing address. All notices and demands intended to be served upon the Board of Managers shall be sent by regular United States mail, postage prepaid, until such address is changed by notice of address change given to the owners.

Section 19.2 Compliance With Provisions. Each owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-Laws, rules, regulations, resolutions and contracts of the Association as the same may

from time to time be in force and effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages (including reasonable attorneys' fees) or injunctive relief or both, maintainable by the Board of Managers, or the Managing Agent, on behalf of the owners, or in a proper case, by an aggrieved owner. The conveyance or encumbrance of a Condominium Unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles of Incorporation and Association By-Laws and rules and regulations, and shall be binding upon each grantee or encumbrancer without the necessity of inclusion of such an expressed provision in the instrument of conveyance or encumbrance.

Section 19.3 Reference to Ownership Interests.
Wherever in this Declaration or in the Articles of Incorporation or By-Laws of the Association reference is made to a specific percentage interest of owners, such reference shall be deemed to mean the total aggregate appurtenant interests in and to the common elements as reflected and set forth in Sec.26.2 hereto, and shall not be deemed to mean a percentage of owners by number of individual persons, partnerships, corporations or other entities.

Section 19.4 Severability. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, word or section, or the application thereof in any circumstance is invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and this Declaration, and the application of any such provision, paragraph, circumstances shall not be affected thereby.

Section 19.5 Terminology. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

Section 19.6 State Law. The provisions of this Declaration shall be in addition and supplemental to the Horizontal Property Act of the State of Tennessee, and to all other laws of the State of Tennessee.

Section 19.7 Period of Condominium Ownership. The Condominium ownership created by this Declaration and the Condominium Map shall continue until this Declaration is revoked in the manner provided in Article XVIII hereof or until terminated as provided in Article XXIV (Casualty), XV (Obsolescence) or XVI (Condemnation) of this Declaration.

ARTICLE XX: RESERVED

ARTICLE XXI: CONTROL BY DECLARANT

Section 21.1 Declarant's Right to Elect Board. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, or the By-Laws of the Association, Declarant reserves the right to exercise the rights, duties, and functions of the Board of Managers of the Association until seventy-five percent (75%) of the Condominium Units in the entire Condominium project have been sold and the transactions closed, or until the passage of five (5) years from the date of recording of this Declaration, whichever occurs first. During such period of development and sale, the monthly assessment for common expenses shall be based upon the actual cost, shall not include any estimated amount for contingencies, reserves or sinking funds, and shall be allocated by Declarant as equitably as possible between completed and sold Condominium Units, and completed and unsold Condominium Units. The portion of such monthly assessment allocated to each completed and sold Condominium Unit shall be computed as set forth in Section 26.2.

ARTICLE XXII: SUBSTITUTION FOR ASSOCIATION

Section 22.1 Substitution Of Attorney-In-Fact.
The owners representing an aggregate ownership interest of 66-2/3% or more of the common elements may designate a person or other entity to act as the attorney-in-fact of the owners in lieu of the Association to deal with the Condominium property upon its destruction, obsolescence, repair or reconstruction or condemnation, or with respect to insurance proceeds.

ARTICLE XXIII: PRIORITIES OF ASSOCIATION

Section 23.1 First Mortgage. Any Unit owner shall have the right from time to time to mortgage or encumber his interest with a first lien Deed of Trust or first mortgage. A first Deed of Trust or a first mortgage shall have first priority.

Section 23.2 Junior Mortgages. Further, the owner of a Condominium Unit shall have the right from time to time to create junior mortgages (junior to a first mortgage), liens or encumbrances on his Condominium Unit; provided, however, that any such junior mortgages, liens or encumbrances shall always be subordinate to the prior and paramount lien of the Association for common expenses and all the terms, conditions, covenants, restrictions, uses, limitations and obligations under this Declaration, Association Articles of Incorporation and the By-Laws and provided, further, that such junior encumbrancer(s) shall release, for purposes of restoration of any improvements upon the encumbered Condominium Unit, all of its right, title and interest in and to the proceeds under all insurance policies upon said premises by the Association. Such release shall be furnished forthwith by a junior mortgagee, lien holder or encumbrancer upon written request of the Association, and if such request is not granted within ten (10) days of such request, such release may be executed by the Association as attorney-in-fact for such junior mortgagee, lien holder, or encumbrancer.

ARTICLE XXIV: DESTRUCTION OR DAMAGE - THE ASSOCIATION AS ATTORNEY-IN-FACT

Section 24.1 Appointment Of Attorney-In-Fact. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its damage or destruction, for its repair and reconstruction or its obsolescence and to maintain, repair and improve the Condominium Units, buildings and general and limited common elements. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with the property upon its damage or destruction or obsolescence as is hereinafter provided. As attorney-in-fact, the Association, by its President and Secretary or Assistant Secretary or its other duly authorized officers or agents, shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed or any other instrument with respect to the interest of a Condominium Unit owner which is necessary and appropriate to exer-

cise the powers herein granted. Repair and reconstruction of the improvement(s) as used in the succeeding sub-paragraphs means restoring the improvement(s) to substantially the same condition in which they existed prior to the damage, with each Unit and the general and limited common elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration, reconstruction or replacement unless the owner and all first mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

Section 24.2 Insurance Proceeds Sufficient To Re-Build. In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair and restoration of the improvements. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

Section 24.3 Insurance Proceeds Insufficient To Re-Build. If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than sixty percent (60%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the owners and their Condominium Units. Such deficiency assessment shall be a common expense and made pro-rata according to each owner's interest in the general common elements and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of the improvement(s) using all of the insurance proceeds for such purpose notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt to each owner and a lien on his Condominium Unit and may be enforced and collected as is provided in Article XII. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the Condominium Unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Condominium Unit of the delinquent owner shall be sold by the Association, as attorney-in-fact, pursuant to the provisions of this paragraph. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate of twelve percent (12%) per annum on the amount of the assessment and all reasonable attorneys' fees. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

(a) For payment of taxes and special assessment liens in favor of any assessing governmental entity;

(b) For payment of the balance of the lien of any first mortgage;

(c) Payment of the customary expenses of sale;

(d) For payment of unpaid common expenses and all costs, expenses and fees incurred by the Association;

(e) For payment of junior liens and encumbrances in the order of and to the extent of their priority and

(f) The balance remaining, if any, shall be paid to the Condominium Unit owner.

Section 24.4 Insurance Proceeds Insufficient And Damage In Excess Of Sixty Percent. If the insurance proceeds are insufficient to repair and reconstruct the damaged improvement(s), and if such damage is more than sixty percent (60%) of the total replacement cost of all of the condominium Units (in this project), not including land, and if the owners representing an aggregate ownership interest of fifty-one percent (51%), or more, of the general common elements do not voluntarily, within one hundred (100) days thereafter, make provisions for reconstruction, which plan must have the approval or consent of fifty-one percent (51%) or more, of the first mortgagees of record, then the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire remaining collected by the Association, and such proceeds, shall be divided by the Association according to each owner's interest in the general common elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the owner. From each separate account the Association, as attorney-in-fact, shall forthwith use and disburse the total amount (of each) of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any first mortgage against the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each Condominium Unit owner's interest in the general common elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in sub-paragraph 24.3 (a) through (f)

Section 24.5 Reconstruction. In the event of such damage or destruction under sub-paragraph 24.4 of this paragraph, and if a plan for reconstruction is adopted as therein provided, then all of the owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a common expense and made pro-rata according to each owner's interest in the general common elements and shall be due and payable as provided by the terms of such plan, but not sooner than thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of improvements using all of the insurance proceeds for such purpose notwithstanding

the failure of an owner to pay the assessment. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The assessment provided for herein shall be a debt of each owner and a lien on his Condominium Unit and may be enforced and collected as is provided in Article XII. In addition thereto, the Association as attorney-in-fact, shall have the absolute right and power to sell the Condominium Unit of any owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Condominium Unit of the delinquent owner shall be sold by the Association. The delinquent owner shall be required to pay the Association the costs and expenses of filing the notices, interest at the rate of twelve percent (12%) per annum on the amount of the assessment and all reasonable attorneys' fees. [The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact, for the same purposes and in the same order as if provided in Section 24.3 (a) through (f).]

ARTICLE XXV: ASSOCIATION RIGHT TO ACQUIRE
ADDITIONAL PROPERTY

Section 25.1 Acquisition of Additional Property. The Association may acquire and hold for the benefit of all of the Condominium Unit owners, real, tangible and intangible personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Condominium Unit owners in the same proportions as their respective interests in the general common elements, and such interest therein shall not be transferrable except with a conveyance of a Condominium Unit. A transfer of a Condominium Unit by sale, foreclosure, or otherwise shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property associated with the Condominium Unit without any reference thereto or execution of a Bill of Sale.

ARTICLE XXVI: EXPANSION

Section 26.1 Reservation of Right to Expand. Declarant, for itself, its successors and assigns, expressly reserves the right to enlarge this Condominium project by submitting additional real property and improvements to contain additional units and one or more buildings for commercial activities (as defined and permitted by the Planned Unit Development Ordinance, Article VIII-1/2 Appendix A-Zoning, City of Murfreesboro Code). Such additions shall be expressed in and by a duly recorded supplement to this Declaration and by filing for record an additional section or supplement to the Map. The reference to the Map and Declaration in any instrument shall be deemed to include any supplements to the Map or Declaration without specific reference thereto.

Section 26.2 Supplemental Declaration and Supplemental Condominium Maps. Such supplements to this Declaration shall provide for a division of such additionally submitted real property and improvements into Condominium Units similar in method and form to the division made of the real property and improvements in this Declaration. Each Unit shall be separately designated, and each building shall be identified by a symbol or designation dissimilar to any other building in the Condominium Project. The undivided interest in and to the general common elements appurtenant to each such Unit shall be a part of the general common elements of the Condominium Units described and initially created by this Declaration and the Map and a part of the general common elements of subsequently submitted Condominium Units; and the undivided interest in and to the general common elements appurtenant to each

Unit included in this first phase of the project and created by this Declaration and Map are a part of the general common elements of subsequent Condominium Units of this project. The percentage ownership in the general common elements shall be based upon the percentage of heated floor space of a given unit in comparison with the aggregate of the heated floor space of all of the Units completed.

Section 26.3 Future Development Subject to this Declaration. Except as may be otherwise provided by the provisions of such supplement(s) to this Declaration, all of the provisions contained in this Declaration shall be applicable to such additional Condominium Units submitted to this Condominium project.

Section 26.4 Expenses and Voting. As additional Condominium Units are submitted to this Condominium complex and in order that the common expenses of this Condominium project be shared proportionately and equitably by the owners of the initially submitted Condominium Units and the owners of all subsequently submitted additional Condominium Units, the common expenses shall be proportionately shared according to the total number of heated square feet of each Unit, as it compares in relationship to the total number of heated square feet of all Units sold. The aggregate of all of the percentage interests at any given time of the enlarged Condominium project shall be considered one hundred percent (100%) for the purpose stated. Likewise, each Condominium Unit owner shall be entitled to cast votes at any meeting of the Association members equal to his percentage interest and the aggregate of all of the percentage interests making up the then enlarged Condominium project shall be considered one hundred percent (100%) for voting purposes.

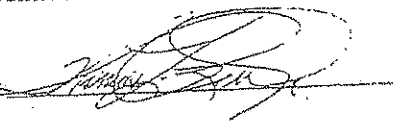
ARTICLE XXVII: AGE REQUIREMENT

Section 27.1 Children Excluded. One or more buildings may be designated as adults only building and appropriately designated on the Map. Units located in such buildings shall be occupied only by a single family and members thereof over the age of fourteen (14) years, its servants and guests and only as a residence and for no other purpose.

Section 27.2 Age Restrictions. Children under the age of sixteen (16) years shall not be permitted to reside in a Unit alone without a parent or guardian residing herein regularly with said child(ren).

DATED this 30th day of December, 1981.

COMMONWEALTH DEVELOPMENT COMPANY
A Tennessee Partnership

By: 

STATE OF TENNESSEE)
 ss.
 RUTHERFORD COUNTY)

Before me, the undersigned authority, a Notary Public in and for said county and state, personally appeared _____ with whom I am personally acquainted, and who, upon his oath, acknowledged himself to be a partner of COMMONWEALTH DEVELOPMENT COMPANY, a Tennessee Partnership, and that he as such partner, being authorized to do so, executed the within and foregoing instrument (DECLARATION OF GRANTS, COVENANTS, CONDITIONS AND RESTRICTIONS ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP OF GEORGETOWN SQUARE CONDOMINIUMS) for the purposes therein contained, by signing thereto the name of said partnership, by himself as such partner.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, this the 30 day of Dec., 1981.

W. J. Parson
 Notary Public

My commission expires: 2/27/84

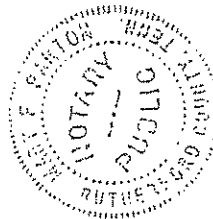


EXHIBIT A

LEGAL DESCRIPTION

Certain real estate situated and located in the City of Murfreesboro, 13th Civil District of Rutherford County, Tennessee, and being described as follows:

BEGINNING at a steel pin in the west line of Battleground Drive S 4° 20' W. 20.0 feet from the south line of Northfield Boulevard;

THENCE S 4° 20' W, 334.00 feet along the west line of Battleground Drive to a steel pin;

THENCE N 85° 40' W, 110.0 feet to a steel pin;

THENCE N 4° 20' E, 12.58 feet to a steel pin;

THENCE N 68° 40' W, 274.83 feet to a steel pin in the southeast line of Northfield Boulevard;

THENCE northeastward 470.10 feet along said southeast line on a 15.5298° curve to the right and a deflection of 73° 00' to a steel pin;

THENCE southeastward along said line on a 286.48° curve to the right and a deflection of 90° 00' to the point of beginning being an area of 2.15 acres.

BEING the same property described in a warranty deed dated March 17, 1981 of record in Deed Book 301, at page 46, Register's Office of Rutherford County, Tennessee, conveying certain property from Commonwealth Development, LTD, a partnership consisting of D. Rucker Collier, et al to Commonwealth Development Co., a partnership consisting of Reed Realty, Inc., et al, said partnership agreement being of record in Trust Deed Book A-341, at page 820, Register's Office of Rutherford County, Tennessee.

STATE OF TENNESSEE
RUTHERFORD COUNTY

OFFICE OF THE REGISTER Dec. 30 19 81
I, HOMER JONES, REGISTER DO CERTIFY THAT THE
FOREGOING INSTRUMENT AND CERTIFICATE ARE RECORDED
IN MY SAID OFFICE IN BOOK NO. 308
PAGE NO. 379 AND THAT THEY WERE
RECEIVED Dec 30 19 81 AT 2:30
P.M. AND ENTERED IN NOTE BOOK 27
PAGE 11

HOMER JONES, Register

RECORDING FEE \$1.00
STATE TAX —
REGISTER'S FEE —
TOTAL PAID \$1.00
RECEIPT NO. 14727

772

This Instrument Prepared By:
LARRY G. TRAIL
117 E. Main Street
Murfreesboro, TN 37130

PLAN FOR THE RENEWAL AND RECONSTRUCTION
OF GEORGETOWN SQUARE CONDOMINIUMS
AND REVOCATION OF DECLARATION

This Agreement entered into on this the 26th day of July, 1984, by and between the respective parties as evidenced by their signatures hereon.

W I T N E S S E T H:

WHEREAS, we, the undersigned, are the owners or the holders of the first mortgage of all the units encompassed by the plan of Georgetown Square Condominiums as shown on the plat of record at Plat Book 8, page 93, Register's Office of Rutherford County, Tennessee; and,

WHEREAS, said condominiums are governed by a Declaration of Grants, Covenants, Conditions and Restrictions recorded at Deed Book 308, page 379, Register's Office of Rutherford County, Tennessee; and,

WHEREAS, said Declaration provides, among other things, that in Article XV, Section 15.1, the owners and first mortgage holders may agree that the condominium property is obsolete and further may adopt a plan for the renewal and reconstruction of the same; and,

WHEREAS, we, the undersigned, hereby declare that the present condominium arrangement is obsolete and unworkable and desire to adopt a new plan for the renewal of the regime.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and benefits to each of us, we hereby covenant, contract and agree as follows:

The condominium units will be re-surveyed and re-platted and the units as shown on the new plat will be thereafter held as part of the planned unit development with ownership of the unit and the surrounding lot in fee. The entire regime will be joined with the present Georgetown Square Townhomes, a planned unit development, and each unit and all the property presently covered by the Georgetown Square Condominium Declaration will be subject to and

encompassed by the Georgetown Square Townhomes Declaration of record at Deed Book 330, page 391, Register's Office of Rutherford County, Tennessee.

The common areas in the Georgetown Square Condominium regime will be transferred to the Georgetown Square Townhomes Homeowners Association and each of us agrees to convey our undivided interest in said common area. We understand that each unit owner will become an automatic and mandatory member of the Townhomes Homeowners Association upon the acceptance of this new plan by the Georgetown Square Townhomes Homeowners Association and the developers thereof. Thereafter, all our right, title and interest will be derived from and subject to the Townhomes Declaration. All funds and property presently held by the Georgetown Square Condominium Association, Inc., will be transferred to the Georgetown Square Townhomes Homeowners Association, Inc. After transferring any assets it holds, the Georgetown Square Condominium Association, Inc., will surrender its charter and each of us agrees to and hereby authorizes said transfer and surrender, including any right, title or interest that may be deemed to be owned by us as owners.

It is understood and agreed to by all the parties that the purpose of the new plan is to convert the present eight units which make up the Georgetown Square Condominiums into a planned unit development which will become a part of the Georgetown Square Townhomes and to allow each unit owner to become a member of the Townhomes Association subject to the Declaration, By-Laws and Articles of the Townhomes Association. Each of us agrees to execute any and all necessary documents including, but not limited to deeds, plats, declarations, deeds of trust to replace existing ones if necessary, etc., to accomplish this conversion. It is understood and agreed that nothing in the conversion shall infringe, interfere or reduce the security of the first mortgage holders hereon.

Each of us waive any notice provisions under the present Declaration dealing with the obsolescence, renewal and reconstruction of the regime. We acknowledge that we are familiar

with the proposed plat to be adopted and also the Declaration, Articles and By-Laws of the Georgetown Square Townhomes Homeowners Association.

We further revoke the present Declaration of record at Deed Book 308, page 379, Register's Office of Rutherford County, Tennessee, effective upon the recording and acceptance of this regime as part of the Georgetown Square Townhomes.

We acknowledge that the rights of the current developer to build up the eight additional units on the area shown on the Georgetown Condominium plat has been transferred to the present developer of the Georgetown Square Townhomes, and that the additional units to be built thereon will likewise be planned unit developments upon their construction.

WITNESS OUR HANDS, on the day and date first above written.

UNIT OWNERS:

MARtha J. HAWKINS - Unit 2-1

JAMES M. PEARSON - Unit 2-2

THOMAS HUGHES LYNCH - Unit 2-3

JAMES HOWARD BOYD, JR. - Unit 2-4

DAVID C. DOMEN - Unit 2-6

WALLACE D. JOHNSON - Unit 1-1

THE DELTA GROUP

By [Signature] - Unit 2-5

CHARLES S. HAWKINS - Unit 2-1

ROBERT J. BOND - Unit 1-2

GEORGIA ANN LYNCH - Unit 2-3

GAYLE C. BOYD - Unit 2-4

PATRICIA S. DOMEN - Unit 2-6

SUSAN S. JOHNSON - Unit 1-1

COMMONWEALTH DEVELOPMENT CO:

By [Signature]

MORTGAGE HOLDERS:

MID-SOUTH BANK AND TRUST CO.

By Robert B. Munroe Vice Pres.
(Holders of mortgage on Unit #
1-1, 1-2, 2-3, 2-4, 2-5, 2-6)

CAVALRY FEDERAL SAVINGS AND
LOAN ASSOCIATION

By [Signature]
(Holders of mortgage on Unit
2-1, 2-2)

OWNERS:

WILLIS L. HUNTER

MELVIN R. ADAMS

THOMAS L. REED, JR.

STATE OF TENNESSEE)
:SS:
RUTHERFORD COUNTY)

Personally appeared before me, the undersigned authority, a Notary Public in and for said county and state, the within named MATTHEW U. HAWKINS and husband, CHARLES S. HAWKINS; JAMES M. PEARSON; THOMAS HUGHES LYNCH and wife, GEORGIA ANN LYNCH; JAMES HERRARD BOYD, JR., and wife, GAYLE C. BOYD; DAVID C. DOMEN and wife, PATRICIA S. DOMEN; WALLACE D. JOHNSON and wife, SUSAN S. JOHNSON; and ROBERT J. BOND; with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that they executed the foregoing instrument for the purposes therein contained.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

Larry H. Hadd
Notary Public

My commission expires: 3-22-86

STATE OF TENNESSEE)
:SS:
RUTHERFORD COUNTY)

Personally appeared before me, the undersigned authority, a Notary Public in and for said county and state, the within named D. CRUCKER COLLIER, a partner of COMMONWEALTH DEVELOPMENT COMPANY, a Partnership, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

Larry H. Hadd
Notary Public

My commission expires: 3-22-86

STATE OF TENNESSEE)
:SS:
RUTHERFORD COUNTY)

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared Harry Estes, with whom I am personally acquainted, and who, upon his oath acknowledged himself to be the Vice President of CAVALRY FEDERAL SAVINGS & LOAN ASSOCIATION, and that he as such Harry Estes, being authorized to do so, executed the within and foregoing instrument for the purposes therein contained, by signing thereto the name of said Bank, by himself as such

WITNESS MY HAND, and Official Seal, at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

Larry H. Hadd
Notary Public

My Commission Expires: 3-22-86

STATE OF TENNESSEE)
SS:
RUTHERFORD COUNTY)

776

Personally appeared before me, the undersigned authority, a Notary Public in and for said county and state, the within named THOMAS L. REED, JR., WILLIS L. HUNTER and MELVIN R. ADAMS, partners of HUNTER, ADAMS & REED, a partnership, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that they executed the foregoing instrument for the purposes therein contained.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

[Signature]
Notary Public

My commission expires: 3-22-86

STATE OF TENNESSEE)
SS:
RUTHERFORD COUNTY)

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared Robert B. Marbee, with whom I am personally acquainted, and who, upon his oath acknowledged himself to be the Vice-President of MID-SOUTH BANK AND TRUST COMPANY, and that he as such Vice-President, being authorized to do so, executed the within and foregoing instrument for the purposes therein contained, by signing thereto the name of said Bank, by himself as such Vice-President.

WITNESS MY HAND, and Official Seal, at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

[Signature]
Notary Public

My Commission Expires: 3-22-84

STATE OF TENNESSEE)
SS:
RUTHERFORD COUNTY)

RECORDING FEE	<u>15.00</u>
STATE TAX	<u>—</u>
REGISTER'S FEE	<u>—</u>
TOTAL PAID	<u>15.00</u>
RECEIPT NO.	<u>60226</u>

Personally appeared before me, the undersigned authority, a Notary Public in and for said county and state, the within named D. RUCKER COLLIER, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the foregoing instrument for the purposes therein contained; and the said D. RUCKER COLLIER, to me known to be the person who executed the foregoing instrument on behalf of THE DELTA GROUP, acknowledged that he executed the same as the free act and deed of THE DELTA GROUP and for the purposes therein contained by virtue of a power of attorney duly executed by THE DELTA GROUP and appearing of record in Trust Book A-413, page 306, Register's Office of Rutherford County, Tennessee.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, on this the 26th day of July, 1984.

[Signature]
Notary Public

My commission expires: 3-22-84

I, Homer Jones, Register of Rutherford County, do certify that the foregoing instrument is contained in said office in book 325, page 772 that it was received July 26 1984 at 12 o'clock PM and entered in notebook 27 page 229.
Homer Jones, Reg. Danna Deputy

GEORGETOWN SQUARE TOWN HOMES

Rules and Regulations

Page 1 of 6

I. Motor Vehicles/Parking

- A. No vehicle shall be parked in such a manner as to impede or prevent ready access to the area or to any individual garage.
- B. No vehicle of any kind will be allowed on sidewalks or in grassed areas.
- C. No unlicensed motor vehicle of any kind (including dirt bikes, go-carts, three-wheeled all terrain vehicles, etc.) is allowed on the Association's property.
- D. The speed limit for all vehicles on Association property is ten (10) miles per hour.
- E. No vehicles are ever to be parked in any of the three main entrances due to safety and the purposes of fire and police protection.
- F. The areas between the garages adjacent to a property owner's garage should be courteously reserved for that homeowner and guests of that homeowner, although these areas are common areas and belong to all property owners.
- G. Vehicles are to be parked perpendicular to the curb in designated parking areas to maximize available space.
- H. No recreational vehicles including boats, trailers, campers, motor homes, etc. are allowed on Association property. No commercial vehicles are to be parked overnight in any common parking area. Any owner of a vehicle which is considered an eyesore, leaking fluids, etc. will be required to remove the vehicle from Association property.
- I. Homeowners are responsible to ensure that visitors, as well as contractors and repairmen visiting their units, comply with these regulations.
- J. No vehicle maintenance or repairs is allowed on Association property. Washing of your own vehicle is permissible.
- K. Vehicles parked in unauthorized areas, no parking zones, etc will be towed without notice to the owner at the owner's expense.

II. Pets

- A. Pets are restricted to a normal domesticated type, such as dogs or cats. Owners may keep a maximum of one (1) dog or two (2) cats per unit.
- B. Pets must weigh less than thirty (30) pounds.
- C. Pets must be leashed at all times while on Association property outside of the unit.
- D. Each pet owner shall be responsible for the removal and disposal of his or her pet's body waste.
- E. Pets are not permitted inside the fences surrounding the swimming pool area or the tennis court.
- F. The ability to have such a pet is a privilege, not a right, and the Board of Directors is empowered to order and enforce the removal of any pet which becomes a source of annoyance to the other residents.

III. Tennis Court

- A. The tennis court is to be used only for playing tennis by players in proper dress. Tennis shoes must be worn.
- B. No food, drinking glasses, glass bottles or chairs are allowed inside the court area.
- C. Unattended children under the age of twelve (12) are not allowed.
- D. Courtesy and sportsmanship will be expected of all players.
- E. Playing time is limited to one and one-half (1 1/2) hours when others are waiting to play.
- F. Gates should be closed at all times.
- G. Tricycles, bicycles, baby strollers or other types of wheel equipment, toys, etc are not permitted within the tennis court area.
- H. The tension bar at the end of the net should be released when play is completed.
- I. The person who unlocks the court will be responsible for locking the court upon his or her departure.

IV. Swimming Pool

- A. Swimming is at your own risk since there is no lifeguard.
- B. Non swimmers and children under fourteen (14) years of age may not be left in the pool unattended. An adult must accompany all children under the age of fourteen (14). No one should be in the water alone at any time unless another person is in the pool area.
- C. All guests, including family members, must be accompanied by a resident who must remain with their guests at all times in the pool area. Guests in the pool area, unattended by a resident will be requested to leave and, the owner's key will be collected. pool privilege suspended for a period of 30 days following the violation. Members and their guests alike must sign-in" each time they use the pool.
- D. No diving.
- E. Only bathing suits are allowed as swim wear; cut-offs are not permitted.
- F. No running or rough play is allowed on the pool deck.
- G. Do not swing, stand, sit or pull on the life line. This life line is a Health Department requirement and must be left in place.
- H. Absolutely no food, alcoholic beverages or glass is allowed within the pool fence area. Any guest or resident not conforming will be requested to leave and the owner's key will be collected. pool privilege suspended for a period of 30 days.
- I. No Styrofoam balls, floats, cups, or frisbees permitted. Vinyl beach balls and floats are ok. Discretion and consideration for others using the pool should be exercised when using these items.
- J. Pool gate *must be locked at all times.*
- K. Personal items left in the pool area will be discarded.
- L. No pets are allowed in the pool area.
- M. Residents are responsible for any damage caused by themselves, their children or guests.
- N. The last person to leave the pool area at night will be responsible for turning off the pool lights and for locking the gate. Closing hour is 10 PM.

V. Children/Play Areas

Page 4 of 6

- A. Children shall be closely supervised at all times by an adult to insure that they do not become a source of annoyance to other residents.
- B. The Board of Directors shall, at all times, have the authority reasonably to require that the unit owner, lessee, guest or other adult who is responsible for a particular child remove him or her from any common area if the child's conduct is such that the Board believes this action is necessary.
- C. Streets and alleys are not to be play areas, and parents are to keep their children from playing in them.

VI Additions/Exterior Modifications

- A. The Board will use the concept that the exterior uniformity and conformity, rather than individuality, will protect and maximize the property value of the entire Association as decision criteria in approving or disapproving petitioned additions or modifications to any unit. Approval or disapproval of any petition shall be at the sole discretion of the Board.
- B. No additions, decorations, alterations or landscaping visible from the exterior of any building may be made without the prior written approval of the Board of Directors. This includes but is not limited to storm doors and windows, screens, awnings, sun porches, fence additions, railings, trees, flag poles, etc. Plans and specifications must be submitted to the Board for approval prior to making changes or additions. Anyone who makes a change or modification without prior approval from the Board will be totally responsible for restoring the unit and/or grounds to the prior state if the Board disapproves the change or modification.
- C. In the event of a Board approved exterior modification the homeowner would submit proper architectural drawings, secure the required City of Murfreesboro work permits, building code permits and a legal document conveying that the modification or property alteration must run with the land to perpetuity. This document must be prepared by the Association's Attorney and paid for by the owner. The final modification must agree with the approved architect's drawing. If a change in size or design is deemed necessary, then revised drawings must be re-submitted to the Board. The current owner and the future owners would bear the maintenance cost of this modification. Maintenance to this modification would be contracted and conducted by Georgetown Homeowner's Association and billed to the current owner of that property. The cost of this maintenance would not be shared by the remaining members of the Association. It would be the further responsibility of the owner to provide adequate liability insurance and supervision of the work crew. The Association would hold itself without fault or liability resulting from any injury during this renovation.

- D. No radio or television aerial shall be attached to or hung from the exterior of any unit, and, no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any of the buildings, or on any part of the Association property except such as shall have been approved in writing by the Board.
- E. All drapes, liners, sheers, blinds and shutters must be lined or colored as to be seen as a white or light beige from the exterior of the unit. No treatment to darken any window is allowed without prior approval from the Board. Window grids are part of the architectural scheme at Georgetown and must be left intact in the windows at all times.

VII. Nuisance

- A. Owners shall not cause or permit any unusual or objectionable noise or odors to be produced or emanate from their units.
- B. All radios, televisions, stereos, etc., must be turned down to a level of sound that does not annoy or interfere with other unit owners.
- C. No band instruments shall be played on Association property. No music lessons, either vocal or instrumental, are permitted on Association property.
- D. No individual garage sales, yard sales, or auctions (town home or objects) are permitted.
- E. Refuse containers, may be placed outside the evening prior to City pickup. They must be placed inside the fence or garage the evening after the pickup and not left on the street or alleyway. Newspapers must be removed the day of delivery.
- F. No unit owner shall use or permit a unit to be used in any manner which would be unreasonably disturbing, detrimental or a nuisance to the occupant of another unit, or which would not be consistent with the maintenance of the highest standards for a first class residential condominium community, nor permit the premises to be used in a disorderly or unlawful way. The use of each unit shall be consistent with the existing laws and the Town home documents, and occupants shall, at all times, conduct themselves in a peaceful and orderly manner.
- G. Watering the common area lawn and shrubbery in front of your home is a good homeowner investment. It can help to reduce monthly maintenance fees and assessments for replacement trees and shrubbery!

VIII. Complaints

- A. Complaints regarding the service of the buildings and/or grounds and complaints regarding situations, other owners and/or tenants shall be made in writing to the President of the Board of Directors. These complaints must be signed by the resident making the complaint. Complaints and other petitions will be discussed at the next board meeting.
- B. Board meetings are open to owners. Board meeting minutes are prepared in advance. An owner may speak at a Board meeting if he/she schedules themselves as part of the Board's agenda at least two weeks prior to the next Board meeting. They will be allotted a time and date to be heard.

IX. Renting Your Home

- A. If you are planning to rent your home please contact the Ghertner Company, Judy Thomas, Georgetown Square Property Manager for information that must be included in your one year (minimum) lease.

IX. Amendments

- A. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Directors.
- B. The Board of Directors reserves the right to make other such rules and resolutions from time to time as they may deem necessary for the safety, care and cleanliness of the Association, and for securing the comfort and convenience of owners and/or tenants including, but not limited to, the rules and regulations concerning the use of the swimming pool, tennis court, common drives and parking areas.
- C. These Rules and Regulations are supplemental to the Amended Declaration of Covenants, Conditions and Restrictions and, By-Laws.

APPROVED BY THE BOARD OF DIRECTORS, GEORGETOWN SQUARE TOWN HOMES, THIS 20th DAY OF NOVEMBER, 1998

ALAN CUTLER

CHARLOTTE DILL

BILL FLOYD

JEAN O'BRIEN

CHARLES A. PERUTTI

JACK RUSSELL

MAZELL TAMBORNINI

Alan Cutler
Charlotte E. Dill
Bill Floyd
Jean O'Brien
Charles A. Perutti
Jack Russell
Mazell Tambornini