

AMENDED AND RESTATED
DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS,
RESTRICTIONS AND OWNERS' ASSOCIATION
FOR
LADD LANDING

This instrument prepared by:

Mark E. Morrison
Grissim & Hodges
323 Union Street, Suite 400
Nashville, TN 37201

Ladd Landing, L.L.C.
1000 Waterford Place
Kingston, TN 37763
865.717.2250
fax 865.717.9461

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BK DN22 PG 569

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This Declaration (the "Declaration") made and published as of this 31st day of March, 2003, by Ladd Landing, L.L.C., a Tennessee limited liability company (the "Developer") and certain lot purchasers (the "Lot Purchasers") whose signatures are attached hereto, with respect to that certain real property located in Roane County, Tennessee.

WITNESSETH:

WHEREAS, the Property, as hereinafter defined, is owned by the Developer and the Lot Purchasers; and

WHEREAS, it is to the benefit, interest, and advantage of Developer and the Lot Purchasers of each and every person or other entity hereafter acquiring any portion of the Property that certain covenants, conditions, restrictions, assessments, and liens governing and regulating the use and occupancy of the Property be established, fixed, and set forth and declared to be covenants running with the land.

NOW, THEREFORE, in consideration of the premises, Developer and the Lot Purchasers, with any and all persons, firms, corporations, or other entities hereafter acquiring all or any of the Property declare that any previous restrictions, recorded or unrecorded shall be of no further force or effect, including but not limited to those restrictions of record in Book DZ21, page 107 of the Register's Office for Roane County, Tennessee, and that the Property shall be hereinafter subjected to the following restrictions, covenants, conditions, assessments, and liens (collectively, the "Restrictions") relating to the use and occupancy thereof and relating to the use, occupancy, and maintenance of such portions of the same as at present or in the future shall be designated as common areas, easements or private rights-of-way, said Restrictions to be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title, or interest in or to the Property or any part thereof and which shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1.1 "Declaration" shall mean and refer to this Declaration of Restrictions applicable to the Properties that is to be recorded in the Office of the Register of Deeds for Roane County, Tennessee and any Supplementary Declarations upon the creation of Additional Phases.

Section 1.2 "Supplementary Declaration(s)" shall mean the one or more supplementary declarations that may be recorded from time to time to create Additional Phases or to or to amend this Declaration as expressly permitted hereunder.

Section 1.3 "By-Laws" means the By-Laws of the Land Owners Association of Ladd Landing, Inc. attached hereto as Exhibit "C" and incorporated herein by reference, as amended from time to time. All provisions contained in the body of this Declaration dealing with the administration and maintenance of the Property shall be deemed to be a part of the By-Laws.

Section 1.4 "Association" shall mean the Land Owners Association of Ladd Landing, Inc., a Tennessee not-for-profit corporation, and its successors and assigns.

Section 1.5 "Board" means the Board of Directors of the Association.

Section 1.6 "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust, or other legal entity.

Section 1.7 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.8 "Occupant" shall mean and refer to any person or persons in possession of a Lot or improvement other than an Owner.

Section 1.9 "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 1.10 "Declarant" shall mean and refer to the Developer.

Section 1.11 "Successor Declarant" shall mean and refer to any person (including any affiliate of the original owners) who shall acquire the right to construct Additional Phases on all or any portion of the Properties adjacent to and able to be included in the general development plan of Ladd Landing.

Section 1.12 "Property" shall mean and refer to that certain real property described on Exhibit "A", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 1.13 "Properties" shall mean and refer to any and all of that certain real property now or which may hereafter be brought within the Project as described on Exhibit "B", attached hereto and made a part hereof by reference.

Section 1.14 "Project" shall mean the mixed use development known as Ladd Landing being developed by the Declarant in Roane County, Tennessee.

Section 1.15 "Phase I" shall mean and refer to the Property initially subject to the Declaration, which contains the Lots, right-of-ways and Common Areas as may be shown on the Plat.

Section 1.16 "Additional Phases" shall mean the additional acreage that may be added to the development in one or more Phases at the sole discretion of the Declarant, together with the

Common Areas, to be more fully shown on the Plat or supplements, additions or amendment(s) thereto to be filed in connection therewith.

Section 1.17 "Plat" means the plat of the Property of record in Plat Cabinet B, Page 189(1), Plat Cabinet B, Page 189(2), Plat Cabinet B, Page 186(1), Plat Cabinet B, Page 186(2), Plat Cabinet B, Page 187(1), Plat Cabinet B, Page 187(2), Plat Cabinet B, Page 188(1), Plat Cabinet B, Page 188(2), Plat Cabinet B, Page 194(2), Plat Cabinet B, Page 195(1), Plat Cabinet B, Page 195(2), Plat Cabinet B, Page 196(1), Plat Cabinet B, Page 196(2), Plat Cabinet B, Page 197(1), Plat Cabinet B, Page 197(2), Plat Cabinet B, Page 198(1), Plat Cabinet B, Page 198(2), Plat Cabinet B, Page 199(1), and Plat Cabinet B, Page 199(2), in the Office of the Register of Deeds, Roane County, Tennessee, showing the number of each Lot, any particular restrictions applicable to such Lot and expressing its location and other data necessary for identification together with any amendments and supplements thereto recorded upon the creation of Additional Phases or upon the commencement of construction of additional sections within a previously submitted phase.

Section 1.18 "Ladd Landing Boulevard Plats" shall mean the plats of Ladd Landing Boulevard, of record Plat Cabinet B, Page 129(1), Plat Cabinet B, Page 186(1), Plat Cabinet B, Page 186(2), Plat Cabinet Page 187(1) and Plat Cabinet B, Page 187(2), Register of Deeds Office for Roane County, Tennessee; Ladd Landing Boulevard is a publicly dedicated road accepted for public maintenance. The roadway plats, of record in Cabinet B, Slide 90, Side 2 and Cabinet B, Slide 91, Side 1, Register of Deeds Office for Roane County, Tennessee, are hereby vacated and superseded by the recording of the Ladd Landing Boulevard Plats.

Section 1.19 "Lot" shall mean and refer to any plot of land designated as an approved building site on a Plat.

Section 1.20 "Construction Sections" shall mean any property shown on a Plat but not designated as a Lot on such Plat, as that term is further defined in Section 2.4.

Section 1.21 "Private Roadways" shall mean those roads, streets and drives established in Article IX located within the bounds of the Properties described on Exhibit B which have been annexed into the Project and not accepted for public maintenance by the appropriate governmental body. Private Roadways may be designated by the Declarant on the Plats, in Maintenance Agreements or by Supplementary Declaration.

Section 1.22 "Utility Easements" shall mean the easements established in Article X, which have been established by separate instrument or which are as otherwise designated or shown on Plat.

Section 1.23 "Common Area" or "Common Areas" shall mean and refer to any and all real property owned by the Association, and such other property to which the Association may hold legal title, whether in fee or for a term of years, for the non-exclusive use, benefit, and enjoyment of the members of the Association, subject to the provisions hereof, and such other property as shall become the responsibility of the Association, through easements or otherwise. The Common Area shall include but not be limited to, any recreational areas, Private Roadways, Utility Easements and other easements or rights-of-way which may be constructed initially by the Declarant or thereafter

by a Successor Declarant or by the Association. Common Areas shall also include any portion of the Ladd Landing Boulevard Plats which the Declarant and the Association are responsible for maintaining pursuant to the Ladd Landing Maintenance Agreement dated March 3, 2003, of record in Book DM22, Page 312, Register of Deeds Office for Roane County, Tennessee. Common Areas with respect to the Properties made subject to this Declaration, whether at the time of filing of this Declaration or subsequently by Supplementary Declaration(s) may be shown on the Plat(s) and may be designated thereon as "Common Areas", "Private Roadways", "Private Access Easements", "Private Roads", "Private Streets" or "Open Space" or such comparable designation.

Section 1.24 "Limited Common Area" or "Limited Common Areas" shall mean and refer to any and all real property owned by the Association, and such other property to which the Association may hold legal title, whether in fee or for a term of years, for the exclusive use, benefit, and enjoyment of the Lot Owner whose Lot is immediately contiguous to and serving as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved exclusively to the Owner or Occupants of the Lot either in this Declaration, on a Plat, or by the Board. The Limited Common Area shall include but not be limited to the Common Area shown on the Plats of any lots adjacent to Watts Bar Lake of the Tennessee Valley Authority and being an area of approximately five (5) feet in width and extending along the shore frontage of such Lot.

Section 1.25 "Residential A Lot" shall mean a Lot to be used for single family residential purposes and upon which a free standing house is or shall be located in the Property and designated as a Residential A Lot on the Plat, this Declaration or any Supplementary Declaration.

Section 1.26 "Residential A Owner" shall mean and refer to the Owner of a Residential A Lot.

Section 1.27 "Condominium Lot" shall mean a Lot located in the Property which is a condominium established pursuant to the Tennessee Horizontal Property Act, T.C.A. §66-27-101 et. seq. or other similar form of corporative ownership and designated as a Condominium Lot on the Plat, this Declaration or any Supplementary Declaration. A Condominium Lot shall mean the entire condominium development and not an individual unit in such development.

Section 1.28 "Condominium Unit" shall mean a single unit or apartment in a condominium project located on a Condominium Lot.

Section 1.29 "Condominium Lot Owner" shall mean and refer to the Owner of a Unit located on a Condominium Lot.

Section 1.30 "Non-residential Lot" shall mean a Lot used for retail, commercial or office use or for any other purpose including lots containing multifamily rental housing structures, i.e. apartments and designated as a Non-Residential Lot on the Plat, this Declaration or any Supplementary Declaration.

Section 1.31 "Non-residential Owner" shall mean and refer to the record owner of a fee simple title to any unit located on a Non-residential Lot.

Section 1.32 "Majority" means the owners of more than fifty percent (50%) of the undivided membership in the Association, present and then eligible to vote, as calculated pursuant to the weighted voting provisions of Section 7.3(c). Any specific percentage of Lot Owners means that percentage of Lot Owners who in the aggregate own such specified percentage of the entire undivided membership in the Association, present and then eligible to vote, as calculated pursuant to the weighted voting provisions of Section 7.3(c).

Section 1.33 "ARC" shall mean the Architectural Review Committee established pursuant to Section 3.1 of this Declaration.

Section 1.34 "Premier Resort" shall mean the facility or facilities established pursuant to T.C.A. §57-4-102(17) and located on the Project.

Section 1.35 "PRC" shall mean the Premier Resort Committee established under Section XII.

Section 1.36 "PRF" shall mean a Premier Resort Facility located within the Project which sells liquor by the drink pursuant to the Association's Premier Resort license.

Section 1.37 "PRF Operator" shall mean a person or entity which is the owner or operator of a PRF.

Section 1.38 "Maintenance Agreements" shall mean any agreement with the City of Kingston or other governmental entities whereby the Declarant and/or the Association are responsible for maintaining any property and/or improvements within the Project, whether or not located within the right-of-way of a public road. The term Maintenance Agreements includes, but is not limited to, the Ladd Landing Maintenance Agreement dated March 3, 2003, of record in Book DM22, Page 312, Register of Deeds Office for Roane County, Tennessee.

ARTICLE II PROPERTIES SUBJECT TO THIS DECLARATION

Section 2.1 Initial Properties Subject to Declaration. The Property is submitted to and shall be held, transferred, sold, conveyed and occupied subject to this Declaration and the restrictions contained herein. Ladd Landing may consist of two or more phases, each of which may comprise a number of Construction Sections, as that term is defined in Section 2.4. The Property constitutes Phase I and consists of sixty-seven (67) Residential A Lot(s) and five (5) Non-residential Lots.

Section 2.2 Additional Phases.

(a) (i) Developer hereby explicitly reserves for itself and any Successor Developer the option, right, power, privilege and authority (but shall be under no obligation), in its sole discretion, without the consent, joinder or approval of the Association, the Board, any Owner,

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any person having a contractual right to purchase a Lot, any mortgagee or beneficiary of any mortgage or deed of trust on any Lot, or any other person, to from time to time to subject all or part of the Properties described on Exhibit B to the restrictions, covenants and conditions set forth in this Declaration, whether or not such property is contiguous to any other part of the Property, in one or more Additional Phases, in order to extend the scheme of this Declaration to such real estate to be developed as part of Ladd Landing and thereby to bring the Properties within the jurisdiction of the Association. This right to expand the Project may be terminated only upon the filing by Developer of an amendment to this Declaration terminating said option and right. In the exercise of its option and right to submit additional properties to this Declaration, Developer may and shall have the right, in its sole discretion, to add any or all portions of the Properties at any time, at different times, in any order, without limitation.

(ii) Declarant shall have the unilateral right, privilege and option from time to time to subject to the provisions of this Declaration any additional property not presently described on Exhibit "B" by filing in the Office of the Register for Roane County, Tennessee an amendment annexing such real property or amending Exhibit "B" to add such additional real property to the Properties. Any such annexation shall be effective upon the filing for record of such amendment unless otherwise provided in the amendment. Declarant may assign this right of annexation to any person or entity. Declarant reserves the right to create cross easements and to restrict all properties brought within the provisions of this instrument according to the terms of this Declaration. The amendment may contain such additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties which are not inconsistent with the scheme of this Declaration. The Common Areas initially covered by this Declaration shall inure to the benefit of the Owners of any new Lots which may become subjected to this Declaration and the Common Area allocable to the Owners of any new Lots shall inure to the benefit of the Owners of Lots recorded earlier, each to enjoy the Common Areas of the other and to have and to hold the same as if each new Lot had been developed and subjected to this Declaration simultaneously.

(b) The right to expand the Project provided for herein shall include, but shall not be limited to, the right to construct or renovate additional Lots and improvements thereon and to develop additional Common Areas and to submit such land and improvements to this Declaration, thereby subjecting the same to all of the terms, conditions, and provisions of this Declaration as if the same had been a part of the Property on the date hereof.

(c) Declarant makes no assurances that any Additional Phase from the area included in the Properties will be added to the Project created by this Declaration. In the event that Declarant shall not subject any property from the area included in the Properties to this Declaration, as to the remaining area Declarant shall have, and does hereby reserve for itself and any future owners of such property, the right to construct any improvements it desires on said property and to use and operate said property in any manner it deems desirable, without restriction, it not being the intent of this Article to in any way restrict Declarant's right to use, convey, lease, encumber or otherwise deal with all or any portion of the area included in the Properties not submitted to the Declaration. This Declaration shall not be deemed in any way to place any encumbrance, restriction or limitation of any kind on the Properties.

(d) Any additional property added to the Project pursuant to this Declaration shall be submitted to and become bound by this Declaration upon the recording of an Supplementary Declaration subjecting such property to the provisions of this Declaration. Any and all such amendments shall be binding upon the Board, the Association, all Lot Owners, all holders of mortgages or deeds of trust encumbering Lots, any person having a contractual right to purchase a Lot and every other person having an interest in the Property or any one or more Lots.

(e) The Developer and any Successor Developer shall have the rights described in this Article II, exercisable without approval of the Association or any Owner, Occupant or other Person. The Developer or such Successor Developer shall have the voting rights as specified hereinafter with respect to any added Lots or Construction Sections.

(f) Notwithstanding anything to the contrary set forth in any other provision of this Declaration, no amendment or modification of this Declaration which amends, modifies or in any way changes or affects the rights of the Declarant provided by this Article may be made or shall be effective without the express prior written consent of the Declarant to such amendment or modification.

Section 2.3 Supplementary Declarations. The additions herein authorized shall be made by filing of record one or more Supplementary Declarations in respect to the creation of Additional Phases or the addition of other Properties to be then subject to this Declaration, and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for its just share of the Association's expenses, and shall also require the filing of such additional plats as are required for such sections in the Register's Office for Roane County, Tennessee. Each Supplementary Declaration must subject the added property or additional lots to the covenants, conditions and restrictions contained herein.

Section 2.4 Construction Sections.

(a) The Developer may submit more unimproved property than is immediately anticipated to be used or improved to the terms and conditions of these restrictions, in order to insure and demonstrate its intentions with respect to such property and to assure that such property will be developed subject to the covenants and restrictions contained in this Declaration, and such land shall initially constitute one Lot responsible for its pro rata share of the expenses of the Association and shall be entitled to the benefits of ownership set forth herein. For purposes of voting, a Construction Section shall constitute one Lot, as further provided in Article VII.

(b) No additional "Lots" shall be deemed to have been created on such property until such time as the final plat approving such Construction Section has been approved and recorded in the Register's Office for Roane County, Tennessee. At such time as the final plat is recorded, all Lots depicted thereon, and Common Areas shown thereon, shall be owned and used in accordance with the terms of this Declaration. Each such Lot shall then be responsible for its pro rata share of the expenses of the Association and shall be entitled to the benefits of ownership set forth herein.

Section 2.5 Association Rights. The Association, Owner, Occupant or any other Person may not assert as a reason to object to an Additional Phase or to the development plan for such phase the fact that existing Association Common Areas, Private Roadways and other facilities will be additionally burdened by the property to be added by the Additional Phase or that the type of improvement, type of use, or size of Lot in any future phase differs from that of the initial construction in or uses of the Property in Phase I, or any subsequent Construction Section, it being acknowledged that the Developer intends there to be a wide variety of residential and commercial buildings in terms of style, size, uses and square footage within Ladd Landing, including but not limited to single family, condominiums, multifamily apartments, commercial, medical, office, retail and other commercial uses. The Developer reserves the right to modify any preliminary plan or Plat to reconfigure Lots, to designate right of ways and roads as Private Roadways, create additional amenities and revise the location of the Private Roadways or Utility Easements or Common Areas. The Developer also reserves the right to change the designation of the Lot on any Plat by a Supplementary Declaration; provided, however, Lots designated as Residential A Lots may only be changed to Condominium Lots or to other residential uses.

ARTICLE III ARCHITECTURAL CONTROL

Section 3.1 Initial Control by Developer.

(a) The ARC shall have exclusive jurisdiction over all construction, modification, addition or alteration of any improvements located on any portion of the Properties to the extent such property is annexed into the Project. Until one hundred percent (100%) of the Properties have been developed and conveyed to purchasers in the normal course of development and sale (provided such property is annexed to the Project), the Developer retains the right to appoint all members of the ARC which shall consist of at least three (3), but no more than five (5) persons. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Developer.

(b) One member of the ARC shall be a licensed design professional, such as an architect, engineer, urban planner, etc., who is familiar with the development and design of mixed use developments similar to the Project.

Section 3.2 Appointment Right of Board. At such time as Developer divests itself of all Lots within the Properties or surrenders its right to appoint members of the ARC: (i) the right of approval of plans for further construction, reconstruction, remodeling, alterations, and additions; and (ii) all rights herein reserved by the Developer shall thereafter vest exclusively in the ARC as appointed by the Board, or if no committee is appointed, then the Association and the Board.

Section 3.3 Approval of Construction and Submission Requests

(a) No building or other structure shall be erected, altered or permitted to remain on any Lot other than improvements which have been approved by the ARC. All buildings and

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structures shall comply with any specific site requirements for the Lot set forth on the Plat, including but not limited to the location of the improvements, driveways and easements. References to "structures" in this Article shall include all buildings (including garages), outbuildings, fences, walls, basketball goals, antennae and microwave and other receivers and transmitters (including those currently called "satellite dishes"), gazebos, docks, piers, boat houses, swimming pools and pool houses.

(b) (i) No construction, reconstruction, remodeling, alteration, or addition of or to any structure, building, fence, wall, drive, or improvement of any nature shall be constructed without obtaining prior written approval of the ARC, or its successors, as to the location, plans, and specifications therefore. As a prerequisite to consideration for approval, and prior to the commencement of the contemplated work, two (2) complete sets of building plans and specifications shall be submitted showing (1) the location of improvements on the Lot; (2) the grade elevation (including rear, front and side elevations); (3) the type of exterior material and roof material (including delivery of samples thereof); and (4) the color of paint or satin to be applied to the exterior surfaces and the color of the roof material (including delivery of samples thereof); (5) the location and size of the driveway (which shall be exposed aggregate concrete, brick or cobblestone surface construction, unless otherwise approved by the ARC). Parking areas and driveways for Non-Residential Lots may use asphalt paving.

(ii) In addition, a landscape plan shall be submitted to the ARC for its approval in writing, which plan shall show the trees, shrubs and other plantings. The landscaping plan and landscaping as completed, shall provide for landscaping across the entire front of the structure. The plans and landscaping design will minimize the number and type of trees removed from a Lot; removal of trees of twelve (12) inches in diameter or greater shall be shown on the plans and landscaping design with such removal subject to approval by the ARC.

(iii) Each Lot Owner shall comply with the provisions of the Tennessee General NPDES Permit (TNR130068) for Storm Water Discharges Associated with Construction Activity (TNCGP) and the Tennessee Erosion Control Handbook, March 2002 Revision (as revised) (the "Handbook"), as same may be amended from time to time. The permit is held by the Declarant for the entire Project. A Storm Water Pollution Prevention Plan (SWPPP) for the Project has been developed for implementing construction storm water management activities under the TNGCP. The Lot Owner and its general contractor and every other contractor having responsibility for construction storm water management must sign the Notice of Intent (NOI) included with the SWPPP prior to start of construction activities. If the Lot Owner is acting as his own general contractor, the Lot Owner must sign the NOI prior to start of construction. Before proceeding with construction, each Lot Owner must submit to Ladd Landing, LLC for its approval a lot specific SWPPP for the Lot which approval may be withheld by Declarant in its reasonable discretion.

(c) Approval shall be based upon, among other things, accuracy of site dimensions, harmony of external design with neighboring structures, and uses; upon relation of topography, grade and finished ground elevation of the Lot being improved to that of neighboring Lots; upon proper facing of main elevations with respect to nearby streets; and upon conformity of the plans and specifications to a traditional architectural theme as contemplated by the Declarant.

The ARC shall be the sole arbiter of such plans and may withhold its approval for any reasons, including purely aesthetic reasons. It is expressly acknowledged that construction undertaken by the Developer or the Association shall be conclusively deemed to comply with the foregoing. Upon giving approval, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans.

(d) If prior to designing structures, landscaping or other improvements, there is any question that a particular design may not be acceptable to the ARC, the Lot Owner or builder may consult with the ARC concerning appropriate plans and specifications.

(e) The ARC, Developer, the Association and the individual members thereof shall not be liable for any act or omission in performing or purporting to perform the functions delegated hereunder. After the receipt of the required documents, if the ARC, or its successors, fails to indicate its approval or disapproval within: (i) twenty-four days for Residential A Lots or (ii) forty-five (45) days for Condominium and Non-Residential Lots approval of the ARC will not be required and the related covenants set out herein shall be deemed to have been fully satisfied. Approval or disapproval by the ARC shall not be deemed to constitute any warranty or representation by it including, without limitation, any warranty or representation as to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations.

Section 3.4 Security Deposits and Plan Review Fees

(a) At the time plans and specifications are submitted to the ARC for construction of any improvements on any Lot and before the commencement of construction, the Owner shall be required to furnish the ARC a fee to review proposed plans and specifications on each Lot and a security deposit to insure compliance with this Declaration as follows:

<u>Lot Type</u>	<u>Plan Review Fee</u>	<u>Security Deposit</u>
Residential A	\$ 250.00	\$ 1,000.00
Condominium	\$2,500.00	\$10,000.00
Non-Residential	\$2,500.00	\$15,000.00

The ARC shall have the authority to increase, modify or amend the Plan Review Fee from time to time in its reasonable discretion. The ARC may also establish fee schedules for one or multiple submissions of Plans and Specifications in such amounts as it determines.

(b) The ARC or Association shall retain the security deposit until the improvements are completed and all trash and debris are removed and the Lot is clean and orderly. If, in the sole judgment of the ARC, the Lot, improvements and Common Areas are not properly repaired or cleaned after construction is completed, the ARC or the Association may have the Lot, improvements and Common Areas repaired or cleaned and apply the proceeds of the security deposit to the cost of repairing or cleaning, and refund any remaining balance to the Lot Owner.

(c) The ARC may waive the requirements of this section for any improvements constructed by the Declarant or any affiliate of Declarant.

Section 3.5 Variances.

(a) Anything contained in this Article 3, or elsewhere in this Declaration to the contrary notwithstanding, the ARC, Developer or the Association, as the case may be, are hereby authorized and empowered, at their sole and absolute discretion, to make and permit reasonable variances, modifications or deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Lot and of the size and location of any such building or improvement when, in their sole and final judgment, such modifications and deviations in such improvements will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Properties and the improvements as a whole; provided, however, such variances, modifications and deviations must remain within all applicable ordinances and regulations established by the appropriate governmental bodies governing construction in Roane County, Tennessee.

(b) The ARC may require the submission to it of such documents and items, including as examples, but without limitation, written requests for and description of the variances requested, plans, specifications, plot plans and samples of material(s) as it shall deem appropriate in connection with its consideration of a request for a variance. If the ARC shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing its decision to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitation, the type of alternate materials to be permitted, and alternate fence height approved or specifying the location, plans and specifications applicable to an approved outbuilding), and signed by the ARC. Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either: (1) written notice of disapproval from the ARC or (2) failure by the ARC to respond to the request for variance within the forty-five (45) day period set forth above. In the event the ARC or any successor to the authority thereof shall not then be functioning, no variances from the covenants herein contained shall be permitted, it being the intention of Declarant that no variances be available except at the discretion of the ARC or the Association.

Section 3.6 Enforcement.

(a) The Developer and/or the Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction the decisions of the ARC or other committees established pursuant to Article III.

(b) If any person shall commence construction prior to: (i) payment of the Plan Review Fee; (ii) posting of the Security Deposit; (iii) approval of construction plans and specification; and (iv) approval of the NOI and a Lot specific SWPPP as required by Section 3.3 the

Developer, Board or ARC may seek an injunction against further construction. Upon violation of this provision, the Owner of the Lot affected shall be liable to the Developer, the ARC and the Association for all court costs and attorney's fees.

Section 3.7 Amendment. This Article may not be amended without the Developer's written consent so long as the Developer owns any portion of the Properties.

ARTICLE IV ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS FOR RESIDENTIAL A LOTS

Section 4.1 Use. Residential A Lots shall be used for private single family residential purposes. No structure shall be erected, placed or altered or permitted to remain on any Residential A Lot except for single family dwellings designated for the occupancy of one (1) family (including any domestic servants living on the Residential A Lot); provided, however, such structure may be used for the purposes specifically provided in Sections 4.18 and 4.26.

Section 4.2 Residential Contractors. All general contractors, construction managers, and other parties constructing a structure on any Residential A Lot must be approved as a builder in the development. Any such party desiring to obtain approval to construct a residence must complete and submit to the ARC an American Institute of Architects Qualification of Builder form together with all required supportive data. As minimum threshold requirements, the general contractor constructing a structure on any Residential A Lot shall have been in the construction business for a period of one (1) year and must have supervised the construction of or built a minimum of six (6) homes. Declarant imposes this requirement to maintain a high quality of construction within the Property, and reserves the right to waive these standards of experience.

Section 4.3 Structural Compliance.

(a) All structures shall be built in substantial compliance with the plans and specifications therefor, approved as provided in Article III. The minimum square footage for any structure may be shown on the Plat for the Lot. Finished basement areas, sun porches, garages and open porches shall not be included in computing floor areas.

(b) The exterior building material of all structures shall extend to the ground level and shall be brick, stone, brick veneer, stone veneer, stucco, dryvit, or a combination of same. The ARC recognized that the appearance of other exterior building materials (such as wood siding) may be attractive and innovative and reserves the right to approve in writing the use of other exterior building materials, provided that no vinyl siding may be used or placed on any residence on a Residential A Lots, except as may be approved by the ARC for use as soffit or gable material.

(c) The openings or doors for vehicular entrances to any garage located on a Residential A Lot shall not face the front Residential A Lot line, unless: (i) approved in writing by the ARC or (ii) as shown on the Plat. All Lots shall have at least two (2) outside parking spaces

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unless otherwise approved in writing by Declarant. Detached garages or carports are allowed: (i) as approved in writing by the ARC or (ii) as shown on the Plat. Garages, as structures, are subject to prior plan approval under Article III.

(d) As required by the Lot specific SWPPP required by Section 3.3, but no later than the final completion of construction, the Residential A Lot Owner shall grade, seed, straw, and landscape the Residential A Lot. The ARC, in its sole discretion, and subject to the approval of the Tennessee Department of Environment and Conservation, may extend a grace period for this work to allow for weather conditions, provided the Residential A Lot Owner has made a good faith effort to satisfy this requirement.

(e) The roof of any structure (including any garage) shall be constructed or covered with approved roofing systems selected by the ARC. Any other type of roofing material shall be permitted only in the sole discretion of the ARC.

(f) No fence or wall of any nature may be extended toward the front or side street property line beyond the front or side wall of a residence. All fencing shall be of masonry, dryvit, stucco, stone, decorative wrought iron and/or wood construction; chain link or woven wire fences are not permitted. All fences and walls must be approved by the ARC. The ARC may provide sample designs for fences.

(g) Swimming pools must be approved by the ARC and shall be no nearer than five (5) feet to any lot line and must be located to the rear, side or enclosed within the main dwelling. All swimming pools shall be fenced for safety and screened from view, as approved by the ARC. No above-ground swimming pool shall be erected or placed on any Lot.

(h) Exterior eave lights shall not be permitted on front or side elevations and shall be positioned so as not to shine in any window.

(i) All decking on the exterior of a residence must be approved by the ARC. If space underneath any decking will be utilized for storage space, this space must be concealed by additional screening or masonry materials and approved by the ARC.

(j) All exterior portions of fireplaces must be approved by the ARC. All exposed metal piping will be required to be shielded with materials that will be resistant to weathering and will allow cleaning of any residue material caused by burning unseasoned or low quality materials in fireplaces.

(k) The Developer may impose additional or different requirements upon an Additional Phase of Residential A Lots in the documents annexing the Additional Phase or on the Plat for that Additional Phase.

Section 4.4 Boat Docks

(a) Any Residential A Lot adjacent to the shore frontage of Watts Bar Lake shall have the right to use the Limited Common Areas immediately contiguous to such Lot, as such Limited Common Area is more fully shown on the Plat. The Residential A Lot Owner shall have the right to the exclusive use of such Limited Common Area subject to the rules and regulations governing the use of the Limited Common Areas and construction, maintenance and use of any boat dock or other structure located thereon or attached thereto established by the Declarant or the Board. Upon any violation of this Declaration or the rules and regulations promulgated hereunder, the Declarant and/or the Board may suspend or revoke the Residential A Lot Owner's right to use such Limited Common Area during the time such violation exists.

(b) All docks must be approved by the ARC and TVA (if required). Docks shall be constructed of galvanized steel or aluminum. Roofs, if applicable, shall be gable or hip type with no flat or party roofs being permitted. Roofs shall be of materials matching the residence or of other materials specifically approved by the ARC. Roof pitch shall be equal to or greater than $3\frac{1}{2}$, but not greater than $6\frac{1}{2}$.

(c) The owner of a Residential A Lot with shore frontage shall furnish the Association with proof of general liability insurance listing the Association as an additional insured in an amount and containing such additional terms and conditions as the Declarant or Board shall require.

Section 4.5 Setback Restrictions.

(a) To provide for uniformity and proper utilization of the building area within the Residential A Lots, no building or structure, or any part thereof, shall be located on any Residential A Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines required by the City of Kingston, Roane County, Tennessee or as may be shown on the Plat for the Residential A Lot. For purposes of determining compliance with this requirement, porches, patios, wing walls, eaves, and steps extending beyond the outside wall of a structure shall be considered as a part thereof. No encroachment upon any utility easements reserved on the Plat shall be authorized or permitted.

(b) No parking areas shall be located within the setback areas unless approved by the ARC in writing.

Section 4.6 Re-subdivision of Lots.

(a) No Residential A Lot shall be re-subdivided, nor shall any improvements be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the Developer or the ARC, as the case may be, as well as any governmental authority having jurisdiction.

(b) Declarant reserves the right, but not the obligation, to re-subdivide the Residential A Lots (including any Construction Sections) by recorded plat or in any other lawful manner and such Lots, as re-platted, shall be subject to this Declaration as if such Residential A Lots were originally included herein.

Section 4.7 Mail and Paper Boxes; Gas Lights. Mailboxes and paper holders shall be in the type and made by the manufacturer required by the ARC, and shall be installed in accordance with design drawings furnished by the ARC. All mailboxes and paper holders shall be installed by the Residential A Lot Owner prior to occupancy of the residence. In addition, decorative gas lights meeting specifications required by Declarant or the ARC shall be installed on each Residential A Lot by the Residential A Lot Owner.

Section 4.8 Storage Tanks and Refuse Disposal.

(a) No exposed above-ground tanks, including liquid petroleum tanks, or receptacles shall be permitted for the storage of fuel, water, or any other substance. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Residential A Lot.

(b) All trash cans will be kept inside garage or out of sight until twenty-four (24) hours prior to pick-up date. Trash cans must be of acceptable type being a dark plastic-type can with matching lid. No bright colored cans or aluminum cans will be allowed for pick-up use. Removal of emptied cans should be as soon after pick-up as possible, but no later than twenty-four (24) hours after pick up. All dumpsters, coolers, and garbage cans shall be screened in a manner acceptable to the ARC.

Section 4.9 Signs and Advertisements. No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed to view on any Residential A Lot, Common Areas or any improvement thereon without the prior written consent of the ARC; provided that this requirement shall not preclude the installation by the Declarant, the ARC or the Association of signs identifying the Project and the location of PRF. This requirement shall not preclude the placement by Owners of "For Sale" signs in the front of the Residential A Lots of such size, character, and number as shall from time to time be approved by the Declarant or the ARC. The Declarant and the Association shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Residential A Lots or Limited Common Areas, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal. All signs and advertisements shall comply with all local codes and ordinances.

Section 4.10 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Residential A Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Residential A Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Residential A Lot.

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Section 4.11 Maintenance.

(a) All Residential A Lots, together with the exterior of all improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, patios, decks, walkways, driveways, and other exterior improvements. In no event shall storm water be discharged into the sanitary sewer system. The Owner or Occupant of each Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner, all trees and shrubbery pruned and cut, all diseased, damaged or dead trees removed and all beddings weeded and maintained.

(b) No Residential A Lot shall be used for storage of material and equipment except as incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law or during construction of the residence as permitted by the ARC) of any such materials is prohibited.

(c) From and after the date construction of a single family residence on a Lot is begun, it shall be the duty of each Residential A Lot Owner to keep the grass on the Residential A Lot cut on a weekly or bi-weekly basis, depending upon the growing season, to keep the lot free from weeds and trash, and to keep it otherwise neat and attractive in appearance. Should any Owner fail to do so, the Declarant, or the Association, may take such action as it deems appropriate, including mowing, in order to make the Residential A Lot neat and attractive and the Owner shall, immediately upon demand, reimburse Declarant or the Association for all expenses incurred in so doing, together with interest at the rate provided herein, and Declarant or the Association shall have a lien on that Residential A Lot and the improvements thereon to secure the repayment of such amounts. Such lien may be enforced for foreclosure against that Residential A Lot Owner and the improvements thereon, as further provided in Section 8.11, but such lien shall be subordinate to any first mortgage or deed of trust thereon.

(d) In the event of default on the part of the Owner or Occupant of any Residential A Lot in observing the above requirements and the default continuing after ten (10) days' written notice thereof, the Declarant or the Association, subject to approval of its Board of Directors, as the case may be, may enter upon the Lot to repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Lot in a neat, attractive, healthful and sanitary condition. In so doing, the Declarant and the Association shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of such Residential A Lot as the personal obligation of such Owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as an Assessment, as further provided in Section 8.11. Any Occupant of such Residential A Lot shall be jointly and severally liable with the Owner for the payment of such costs.

(e) The Association may contract with one (1) or more landscaping services to provide grass cutting, lawn maintenance, proper care for all trees, shrubbery and other landscaping,

and other necessary maintenance services for the Common Areas, provision for which shall be made in the monthly or annual assessments.

Section 4.12 Nuisances and Unsightly Materials. Each Owner or Occupant shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to others. No noxious, offensive, or illegal activity shall be carried on upon any Lot. Except during the construction period, no Lot shall be used, in whole or in part, for the storage of rubbish of any character whatsoever; nor shall any substance, thing, or material be kept upon any Lot which will emit foul or noxious odors or which will cause any noise that will or might disturb the peace and quiet of the Owners or Occupants of surrounding Lots or property. The foregoing shall not be construed to prohibit the temporary deposits of trash and other debris for pick-up by garbage and trash removal service units.

Section 4.13 Visual Obstruction at the Intersection of Public or Private Streets. No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the surface of the streets shall be placed, planted or permitted to remain on any corner Residential A Lot within the triangular area formed by the curb lines of the streets involved and a line running from curb line to curb line at points twenty-five (25) feet from the junction of the street curb lines. The same limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway.

Section 4.14 Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Residential A Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section 4.15 Use of Other Structures and Vehicles.

(a) No structure of a temporary character including, without limitation, dog houses and dog runs, shall be permitted on any Residential A Lot except temporary tool sheds or field offices used by: (i) a builder who is constructing a residence(s) on a Residential A Lot(s), which shall be removed when construction or development is completed, or (ii) Declarant.

(b) No outbuilding, trailer, basement, tent, shack, garage, barn or structure other than the main residence erected on a Residential A Lot shall at any time be used as a residence, temporarily or permanently unless otherwise approved in writing pursuant to this Declaration. No pre-fabricated, mobile homes, manufactured or modular buildings are permitted in the Properties.

(c) No trailer, truck, motorcycle, commercial vehicle, camper trailer, camping vehicle or boat shall be parked or kept on any Residential A Lot at any time unless housed in a garage or basement. No automobile which is inoperable shall be habitually or repeatedly parked or kept on any Residential A Lot (except in the garage) or on any street in the subdivision. No trailer, boat, truck, or other vehicle, except an automobile shall be parked on any street in any Residential A Lot section for a period in excess of one (1) twenty-four (24) hour period in any calendar year.

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(d) No automobile shall be continuously or habitually parked on any street or right-of-way in the Project.

(e) No vehicles of any type shall be permanently or semi-permanently parked on any Residential A Lot or in the Common Areas for purposes of accomplishing repairs thereto, or the reconstruction thereof except as permitted by the Rules and Regulations adopted by the Association.

Section 4.16 Animals.

(a) No animals, including reptiles, livestock or poultry of any kind shall be raised, bred or kept on any Residential A Lot, except that dogs, cats or other household pets (meaning the domestic pets, traditionally recognized as household pets in this geographic area) may be kept, provided they are not kept, bred or maintained for any commercial or breeding purposes. The Board shall have the authority to promulgate rules and regulations for pets.

(b) Dogs must be contained in a fenced back yard and be placed at night in a garage or other enclosed structure if the dog is a noise problem. Dogs may be walked throughout the Properties provided they are kept on a lease. No Pit Bull dogs are allowed. The Board shall determine whether any dog is such as to create a nuisance.

(c) The provisions of this Section notwithstanding, horses may be kept or raised on certain Lots, as designated on the Plat or as may be permitted upon application to the Association, subject to the rules and regulations of the Association and local codes and ordinances. The Association may lease portions of the Common Areas for the purpose of pasture for horses owned by a Lot Owner or Occupant. No commercial breeding or boarding of horses shall be permitted. Any stable or other structure shall be approved by the ARC as provided in Article III and shall be maintained in a manner to minimize all odors, flies and rodents from and in the stables.

Section 4.17 Clothes Lines; Tennis Courts; Antennae and Receivers/Transmitters; Yard Ornaments.

(a) No outside clothes lines shall be erected or placed on any Residential A Lot.

(b) No tennis court fence shall be erected on any Residential A Lot unless the fencing is coated with black or green vinyl.

(c) No antenna (except for standard small televisions antennae) or microwave and other receivers and transmitters (including those currently called "satellite dishes") shall be erected or placed on any Residential A Lot unless its design, placement and screening are approved by the ARC. No satellite dish shall be visible from the street. By granting permission to a Residential A Lot Owner to erect a receiver or transmitter, the ARC and the Association shall not be deemed to have waived this restriction as it may apply to other Lots.

(d) (i) No ornamental yard object, statuary, sculpture, or other similar item, shall be placed on any Residential A Lot unless its design and placement are approved in writing by the ARC.

(ii) Seasonal lighting and displays (for example Christmas, Halloween, etc.) shall be permitted during a three (3) week period prior to and two (2) weeks after the holiday or event. Illumination of a Residential A Lot or residence may occur between the hours of 5:00 p.m. and 11 p.m. All lighting and displays shall be subject to such rules and regulations which may be promulgated by the Association.

Section 4.18 Business; Home Occupations.

(a) Unless the activity is specifically prohibited by a provision of this Declaration or local codes or ordinances, an Owner or Occupant of a Residential A Lot may have a home office to conduct his or her trade or business, including the practice of medicine, dentistry, chiropractic, osteopathy and other like endeavors provided: (i) no signs are posted on the Residential A Lot or residence; (ii) the use is ancillary to the use of the Property as a residence and (iii) all parking for visitors occurs on the designated vehicle parking areas on the Residential A Lot as approved by the ARC.

(b) A new house may be used by a builder thereof as a model home for display or for the builder's own office provided said use terminates within eighteen (18) months from completion of the house or upon such additional period of time as may be expressly agreed to in writing by Declarant.

Section 4.19 Rules for Common Areas. The Association is authorized to adopt rules for the use of Common Areas and Limited Common Area and such rules shall be furnished in writing to the Lot Owners.

Section 4.20 Solar Panels. The use of solar panels on any Residential A Lot or residence shall not be permitted without the written approval of the ARC or the Board.

Section 4.21 HVAC Equipment. Through wall air conditioning and heating units shall not be permitted.

Section 4.22 Commercial Vehicles. Except for the purpose of delivering construction materials and equipment, tour buses, dump trucks, tractor trailers and school buses will not be permitted to be parked on the section of the Project designated for Residential A Lot at any time. Construction equipment may be parked on a Lot during the construction of any improvements provided it is removed once the need for the equipment has terminated.

Section 4.23 Leasing.

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(a) Except for bed and breakfast locations approved pursuant to Section 4.26, no Residential A Lot and improvements thereon within the Property shall be rented for transient or hotel

purposes or in any event for any period less than one (1) month. Any completed residence can be leased if the lease is at least on a month to month basis. Garage apartments are permitted. No other portion of any Residential A Lot (other than the entire Lot) shall be leased for any period.

(b) Any Owner who shall lease a Residential A Lot or the improvements thereon shall do so in writing and promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the Residential A Lot shall be subject and subordinate in all respects to the provisions of this Declaration and to such By-Laws, rules and regulations relating to the use of the Common Areas, or other "house rules" as the Board may from time to time promulgate.

(c) The provisions of this subsection shall not apply to any institutional mortgagee of any Residential A Lot who comes into possession of the Residential A Lot as a result of a foreclosure sale or other judicial sale as a result of any proceeding in lieu of foreclosure.

Section 4.24 Hobbies and Activities. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, the riding of motorcycles, off-road vehicles and recreational vehicles and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the prior written consent of the Association.

Section 4.25 Playground Equipment. All playground equipment, including but not limited to, swingsets, seesaws, playhouses, and/or climbing apparatuses, must be constructed of wood, no plastic or metal playground equipment is allowed. All such equipment shall be maintained in good condition, located behind the residences, and screened from the street view as may be required by the ARC. The ARC and/or the Association may promulgate additional rules and regulations regarding the type of playground equipment and screening used on the individual Lots.

Section 4.26 Bed and Breakfast Locations. Subject to local codes and ordinances, the Declarant or the Board may permit a Residential A Lot to be used as the location of a bed and breakfast facility. A bed and breakfast location shall mean an owner occupied and operated guest facility for not more than six (6) beds for pay. Meals may be provided for overnight guests. The maximum stay of the guests shall be fourteen (14) consecutive days. All parking for guests shall be on the site. The Declarant or the Board may establish criteria, rules and regulations for bed and breakfast locations. The Board or Declarant shall have the authority to increase the assessments required by Article VIII on any Lot used for a Bed and Breakfast to compensate for the increased wear and tear on the Common Areas, provided such increase shall not exceed three (3) times the current assessment for such Lot, assuming such Lot was not being used for a Bed and Breakfast. Bed and breakfast locations may also be permitted to operate as a PRF subject to the provisions of Article XII.

ARTICLE V
ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS
FOR CONDOMINIUM LOTS

Section 5.1 Use. A Condominium Lot may be used for any purpose as permitted in the condominium documents establishing the condominium regime, including but not limited to single family residential, commercial and office use. No structure shall be erected, placed or altered or permitted to remain on any Condominium Lot except for condominiums or other similar form of corporative ownership.

Section 5.2 Approval of Contractors All general contractors, construction managers, and other parties constructing a structure on any Condominium Lot must be approved as a builder in the development by Declarant. Any such party desiring to obtain Declarant's approval must complete and submit to Declarant an American Institute of Architects Qualification of Builder form together with all required supportive data. Declarant imposes this requirement to maintain a high quality of construction within the Property, and reserves the right to waive these standards of experience.

Section 5.3 Structural Compliance.

(a) All structures shall be built in substantial compliance with the plans and specifications therefor, approved by the ARC or the Association as provided in Article III.

(b) The exterior building material of all structures shall extend to the ground level and shall be brick, stone, brick veneer, stone veneer, stucco, dryvit, or a combination of same. The ARC recognized that the appearance of other exterior building materials (such as wood siding) may be attractive and innovative and reserves the right to approve in writing the use of other exterior building materials, provided that no vinyl siding may be used or placed on any residence on any of the Properties, except as may be approved by the ARC for use as soffit or gable material.

(c) The roof of any structure shall be constructed or covered with approved roofing systems selected by the ARC. Any other type of roofing material shall be permitted only in the sole discretion of the ARC.

(d) No fence or wall of any nature may be extended toward the front or side street property line beyond the front or side wall of a Condominium Unit. All fencing shall be of masonry, dryvit, stucco, stone, decorative wrought iron and/or wood construction; chain link or woven wire fences are not permitted. All fences and walls must be approved by the ARC or the Board. The ARC may provide sample designs for fences.

(e) As required by the lot specific SWPPP required by Section 3.3, but no later than the final completion of construction of a residence, the Condominium Lot Owner shall grade, seed, straw, and landscape the Condominium Lot. The ARC, in its sole discretion, and subject to the approval of the Tennessee Department of Environment and Conservation, may extend a grace period for this work to allow for weather conditions, provided the Condominium Lot Owner has made a good faith effort to satisfy this requirement.

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Section 5.4 Setback Restrictions.

(a) To provide for uniformity and proper utilization of the building area within the Lots, no building or structure, or any part thereof, shall be located on any Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines required by Roane County, Tennessee or as may be shown on the Plat for the Condominium Lot. For purposes of determining compliance with this requirement, porches, patios, wing walls, eaves, and steps extending beyond the outside wall of a structure shall be considered as a part thereof. No encroachment upon any utility easements reserved on the Plat shall be authorized or permitted.

(b) No parking areas shall be located within the setback areas unless approved by the ARC in writing.

Section 5.5 Re-subdivision of Lots. No Condominium Lot shall be re-subdivided, nor shall any improvements be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the ARC or the Association, as the case may be, as well as any governmental authority having jurisdiction. Declarant, however, shall have the right, but not the obligation, to re-subdivide the Lots (including any Construction Sections) by recorded plat or in any other lawful manner and such Lots, as re-platted, shall be subject to this Declaration as if such Lots were originally included herein.

Section 5.6 Approval of Condominium Documents.

(a) All condominium documents, including the Master Deed, plats and association by-laws, shall be approved by Declarant in writing, which approval may be withheld in its sole discretion, prior to recording. Submission of such documents shall be in the manner set forth in Section 3.3(e). Any amendment to the approved documents shall be submitted to the Declarant for reapproval, or after the Declarant has conveyed all Lots in the Properties, to the Board.

(b) All rules and regulations promulgated by the condominium association are subject to the Declarant's or Board's approval for the use of Common Areas shall be approved by the Declarant.

Section 5.7 Maintenance.

(a) All Condominium Lots, together with the exterior of all improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, patios, decks, walkways, driveways, and other exterior improvements. In no event shall storm water be discharged into the sanitary sewer system. The Owner or Occupant of each Condominium Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner, all trees and shrubbery pruned and cut, all diseased, damaged or dead trees removed and all beddings weeded and maintained.

(b) No Condominium Lot shall be used for storage of material and equipment except as incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law and the written approval of the ARC) of any such materials is prohibited.

(c) In the event of default on the part of the Owner or Occupant of any Condominium Lot in observing the above requirements and the default continuing after thirty (30) days' written notice thereof, the Declarant or the Association, subject to approval of its Board of Directors, as the case may be, may enter upon the Condominium Lot to repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place the Condominium Lot in a neat, attractive, healthful and sanitary condition. In so doing, the Declarant and the Association shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of the Condominium Lot as the personal obligation of such Owner and as a lien upon the Condominium Lot, enforceable and collectible in the same manner and to the same extent as an Assessment, as further provided in Section 8.11. Any Occupant of the Condominium Lot shall be jointly and severally liable with the Owner for the payment of such costs.

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

(e) Any landscaping services to provide grass cutting, lawn maintenance, proper care for all trees, shrubbery and other landscaping, and other necessary maintenance services for the Condominium Lots shall be approved by the Declarant.

Section 5.8 Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Condominium Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section 5.9 Parking.

(a) All parking on a Condominium Lot must be self sufficient. Shared parking between Lots is encouraged; parking agreements between Lot Owners shall be approved by the ARC and, if required by the ARC, recorded in the Roane County Register's Office.

(b) The provisions of subsection (a) notwithstanding, this Declaration does not create cross-parking easements or licenses. Cross parking easements shall only be established by appropriate designation on the Plat(s) or by cross parking easements or agreements recorded in the Register's Office for Roane County, Tennessee.

Section 5.10 Miscellaneous.

- (a) Each Owner or Occupant shall refrain from any act or use of his Condominium Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to others. No noxious, offensive, or illegal activity shall be carried on upon any Lot. Except as provided in Article 13, no Condominium Lot shall be used, in whole or in part, for the storage of rubbish of any character whatsoever; nor shall any substance, thing, or material be kept upon any Condominium Lot which will emit foul or noxious odors or which will cause any noise that will or might disturb the peace and quiet of the Owners or Occupants of surrounding Lots or property. The foregoing shall not be construed to prohibit the temporary deposits of trash and other debris for pick-up by garbage and trash removal service units as provided in Section 3.6.
- (b) No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the surface of the streets shall be placed, planted or permitted to remain on any corner Condominium Lot within the triangular area formed by the curb lines of the streets involved and a line running from curb line to curb line at points twenty-five (25) feet from the junction of the street curb lines. The same limitations shall apply on any Condominium Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway.
- (c) No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Condominium Lot. All dumpsters, coolers, and garbage cans shall be screened in a manner acceptable to the ARC.
- (d) No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed to view on any Condominium Lot or any improvement thereon without the prior written consent of the ARC; provided that this requirement shall not preclude the installation by Developer of signs identifying the entire development, entrance signs identifying the Condominium project, as approved by the ARC, and provided further that this requirement shall not preclude the placement by Owners of "For Sale" signs in the front of the Lots of such size, character, and number as shall from time to time be approved by the Developer. The Developer shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.
- (e) No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

ARTICLE VI
ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS
FOR NON-RESIDENTIAL LOTS

Section 6.1 Use. No Non-Residential Lots shall be used for "Industrial Purposes." "Industrial Purposes", as used in this Declaration, shall include, but not be limited to: (a) automobile or vehicular sales, service and repair; (b) wrecker yards and wrecker services; (c) heavy equipment and boat sales, service and repair; (d) adult book stores, video stores or other establishments providing adult entertainment (which shall be defined as a facility which denies admittance to individuals younger than 21 years of age and provides pornographic material; (e) racetracks, go-carts, or motor cross facilities; (f) explosives and fire works manufacturer; (g) landfills or hazardous waste facilities (but specifically excluding all hospitals, medical office buildings, including but not limited to x-ray clinics, out or in patient clinics, imaging centers, surgery centers and other medical facilities) and (h) non-residential drug treatment facilities.

Section 6.2 Structural Compliance.

(a) All structures shall be built in substantial compliance with the plans and specifications therefor, approved by the ARC as provided in Article III.

(b) As required by the Non-Residential Lot specific SWPPP required by Section 3.3, but no later than the final completion of construction of a residence, the Non-Residential Lot Owner shall grade, seed, straw, and landscape the Non-Residential Lot. The ARC, in its sole discretion, and subject to the approval of the Tennessee Department of Environment and Conservation, may extend a grace period for this work to allow for weather conditions, provided the Non-Residential Lot Owner has made a good faith effort to satisfy this requirement.

Section 6.3 Setback Restrictions.

(a) No building or structure, or any part thereof, shall be located on any Non-Residential Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines as may be shown on the Plat. For purposes of determining compliance with this requirement, porches, patios, wing walls, eaves, and steps extending beyond the outside wall of a structure shall be considered as a part thereof. No encroachment upon any utility easements reserved on the Plat shall be authorized or permitted.

(b) No parking areas shall be located within the setback areas unless approved by the ARC in writing.

Section 6.4 Re-subdivision of Lots. No Non-Residential Lot shall be re-subdivided, nor shall any improvements be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the Developer or the Association, as the case may be, as well as any governmental authority having jurisdiction. Developer, however, shall have the right, but not the obligation, to re-subdivide the Lots (including any Construction Section) by recorded plat or in any

other lawful manner and such Lots, as re-platted, shall be subject to this Declaration as if such Lots were originally included herein.

Section 6.5 Parking.

(a) One-half (½) of all parking on a Non-Residential Lot must be self sufficient. Shared parking between Lots is encouraged; parking agreements between Non-Residential Lot Owners shall be approved by the ARC and, if required by the ARC, recorded in the Roane County Register's Office. A minimum parking ratio of four (4) spaces per 1,000 square feet of usable (occupied) building area shall be provided by use of self sufficient or shared parking.

(b) The provisions of subsection (a) notwithstanding, this Declaration does not create cross-parking easements or licenses. Cross parking easements shall only be established by appropriate designation on the Plat(s) or by cross parking easements or agreements recorded in the Register's Office for Roane County, Tennessee.

Section 6.6 Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section 6.7 Miscellaneous

(a) No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Lot. All dumpsters, coolers, and garbage cans shall be screened in a manner acceptable to the ARC.

(b) No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed to view on any Non-Residential Lot or any improvement thereon without the prior written consent of the ARC; provided that this requirement shall not preclude the installation by Developer of signs identifying the entire development, entrance signs identifying the Non-Residential Lots, as approved by the ARC, and provided further that this requirement shall not preclude the placement by Owners of "For Sale" signs in the front of the Lots of such size, character, and number as shall from time to time be approved by the Developer. The Developer shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

(c) No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Non-Residential Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Non-Residential Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

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

Section 6.8 Maintenance.

(a) All Non-Residential Lots, together with the exterior of all improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, patios, walkways, driveways, and other exterior improvements. In no event shall storm water be discharged into the sanitary sewer system. The Owner or Occupant of each Non-Residential Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner, all trees and shrubbery pruned and cut and all bedding weeded and maintained.

(b) No Non-Residential Lot shall be used for storage of material and equipment except as incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law and the written approval of the ARC) of any such materials is prohibited.

(c) In the event of default on the part of the Owner or Occupant of any Non-Residential Lot in observing the above requirements or any of them, such default continuing after ten (10) days' written notice thereof, the Developer or the Association (subject to approval of its Board of Directors) may enter upon said Lot, repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Non-Residential Lot in a neat, attractive, healthful and sanitary condition. In so doing, Developer and the Association shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of such Non-Residential Lot as the personal obligation of such Owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as an Assessment. Any Occupant of such Non-Residential Lot shall be jointly and severally liable with the Owner for the payment of such costs.

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

ARTICLE VII OWNERS' ASSOCIATION

Section 7.1 Membership. The Owners of each Lot of land within the Property shall, by accepting a deed therefor, become a Member of the Association and shall be subject to the jurisdiction of the Association and the terms and conditions of this Declaration, as amended from time to time.

Section 7.2. Voting. The Association shall have five (5) classes of voting membership.

Class and Vote Allocation

(a) Class I. Class I members shall be all Residential A Lot Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class II

(i) The Class II member shall be the Declarant and shall be entitled to five (5) votes for each Residential A Lot owned. For purposes of voting, a Construction Section in a Residential A Section shall constitute one (1) Lot.

(ii) The Class II membership shall cease upon the earlier of: (1) when Declarant has transferred title to all Lots and Construction Sections within the Properties, which are designated for Residential A Lots and (2) on any date which the Developer, in its sole discretion, elects to terminate its Class II membership or (3) the day which is ten (10) years after the date this Declaration is recorded.

(iii) Upon the termination of Class II membership, the Developer's membership shall be converted into a Class I membership with Developer being entitled to one (1) vote for each Residential A Lot owned.

(c) Class III. Class III members shall be the president of the condominium or homeowners association located on the Condominium Lot, and shall be entitled to one (1) vote for each Condominium Unit located on such Lot. For example, the president of a condominium association which has fifty (50) Condominium Units on a Condominium Lot would have fifty (50) votes.

(d) Class IV. Class IV members shall be all Non-Residential Lot Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine among themselves, but in no event shall more than one vote be cast with respect to any Lot. If a Lot is owned by a condominium, cooperative, or other

similar entity, the entity shall be the record Owner of the Lot and the president, or its designee, of such entity shall be the voting member for such Lot.

(e) Class V.

(i) Class V member shall be the Declarant and shall be entitled to five (5) votes for each Non-Residential Lot owned. For purposes of voting, a Construction Section in a Non-Residential Lot Section shall constitute one (1) Non-Residential Lot.

(ii) The Class V membership shall cease upon the earlier of: (1) when Declarant has transferred title to all Lots and Construction Sections within the Properties, which are designated for Non-Residential Lots and (2) on any date which the Developer, in its sole discretion, elects to terminate its Class V membership or (3) the day which is ten (10) years after the date this Declaration is recorded.

(iii) Upon the termination of Class V membership, the Developer's membership shall be converted into a Class IV membership with Developer being entitled to one (1) vote for each Non-Residential Lot owned.

Section 7.3 Association Meetings: Action Without a Meeting. Meetings of the Association shall be held as follows:

(a) Annual Meetings. Commencing January, 2005, the annual meeting of the Association shall be held on the second Tuesday of each January, for the purpose of electing Directors and for the transaction of such other business as may be brought before the meeting. Notice of the particular time and place of each annual meeting shall be delivered to or mailed to all Members at least seven (7) days prior to the date of the meeting.

(b) Special Meetings. Special meetings of the Association may be called for any purpose by the Board or by Members holding at least twenty-five percent (25%) of the total votes. Notice of the date, time and place of any special meeting must be mailed or delivered to all members of the Association at least (7) days prior to the meeting, and such notice must include a brief description of each matter to be addressed at the meeting. Only matters described in the notice may be considered at special meetings, unless all Members agree otherwise.

(c) Voting.

(i) The Members will elect Directors for the Association as provided in Section 7.4(c) with each Director representing different classes of members.

(ii) (A) On any other matter requiring the vote or approval of the Members, the votes of the Members shall be counted using the following formula:

The total votes cast = the sum of:

- (1) Class I Member votes x 2;
- (2) Class II Member votes x 5;
- (3) Class III Member votes (with each Condominium Unit equaling one (1) vote);
- (4) Class IV Member votes x 25; and
- (5) Class V Member votes x 25.

(B) A majority of the votes present at a meeting of the Association in person or by proxy shall decide any questions brought before the meeting, unless otherwise specifically provided and except for the amendment of this Declaration.

(d) Waiver of Notice. Any Member of the Association who appears at a meeting, either in person or by proxy, shall be deemed to have waived notice of the time and place of meeting. Any Member may also waive notice in writing.

(e) Voting by Proxy. Any record Owner of a Lot may cast its vote at any Association meeting by written proxy, which may be general or limited and which shall be delivered to the Board at such meeting.

(f) Place of Meeting. All meetings of the Association shall be held in Roane County, Tennessee, at a place to be designated by the Board in the notice of meeting.

Section 7.4 Board of Directors. The affairs of the Association shall be managed by the Board.

(a) Powers and Duties.

(i) The Board shall have the power and duty to provide for the maintenance of the Common Areas (including but not limited to the **Private** Roadways and Utility Easements), obtain and maintain insurance on the Common Area, maintain the corporate status of the Association, operate the Project as a Premier Resort, retain a management agent for the Project and take such other actions to maintain, repair, replace, administer and operate the Project or any part thereof and to manage the affairs of the Association to the extent deemed advisable by the Board. The Board shall have the power to perform all actions that may be appropriate in the performance of this duty.

(ii) The Declarant or the Board, on behalf of the Association, may employ a management agent to act as Managing Agent for the Property. Any management contract may be terminated without penalty at any time, upon not more than ninety (90) days' notice, and for cause at any time upon not more than thirty (30) days' notice to such Managing Agent and shall not be of a duration in excess of one (1) year. The Board shall require that such Managing Agent have fidelity bond coverage on its employees handling Association funds.

(b) Number of Directors: Membership. Except for the Initial Board composed of the Incorporators, the Board shall consist of seven (7) Directors. Directors shall be: (i) natural persons who have attained the age of eighteen (18) years and (ii) Members or the appointed representative of a Member(s) or the Declarant, or its designee. No two Directors (excluding the Declarant or its designee) shall be the Owner, (or the representative of the Owner) of a single Lot. Until the first meeting of the Members and until their successors are chosen, the Incorporators of the Association shall act as the first Board of Directors (the "Initial Board").

(c) Classes, Election and Terms of Office of Directors. The Association shall have seven (7) directors who shall be elected to serve as follows:

(i) Residential A Directors.

(A) There shall be two (2) Directors elected by a majority of the votes cast (on a noncumulative basis) by the Class I and Class II Members. The two (2) Residential A Directors must be Residential A Lot Owners, with the exception of the Declarant.

(B) Each Residential A Director, except for members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of two (2) years until his successor shall be elected and qualified or until the earlier of the Directors: (i) resignation; (ii) death or (iii) until he is removed in the manner [elsewhere] provided. At the first annual meeting, the terms of office for the Residential A Directors shall be fixed wherein one (1) Director shall serve for one (1) year and one (1) Director shall serve for two (2) years. Residential A Directors may be removed from office without cause by a majority of the votes of the Class I and Class II Members present at a meeting of the Association called for such purpose.

(ii) Condominium Director.

(A) (1) There shall be one (1) Director elected by a majority of the votes cast (on a noncumulative basis) by the Class III Members, as that term is defined in Section 7.2. This director must be a Condominium Unit Owner.

(2) The Declarant shall serve as the director for this Class until such time as a residential condominium is established in the Project. In the event that no residential condominium is established in the Project by the time the Developer annexes all the Properties into the Project, the Residential A Lot Owners shall elect this director in the manner prescribed in Section 7.4(c)(i).

(B) The Condominium Director, except for the members of the Initial Board, shall hold office for the term of two (2) years until his successor shall be elected and qualified or until the earlier of the Director's: (i) resignation; (ii) death or (iii) until he is removed in the manner elsewhere provided. At the first annual meeting, the term of office for the Condominium Director shall be fixed wherein he shall serve for two (2) years. The Condominium Director may be removed from office without cause by a majority of the votes of the Class III Members, as defined in Section 7.2, present at a meeting of the Association called for such purpose.

(iii) Non-Residential Directors.

(A) (1) There shall be three (3) Directors elected by a majority of the votes cast (on a noncumulative basis) by the Class IV and Class V Members, as those terms are defined in Section 7.2. These directors must be a Non-Residential Lot Owner, with the exception of the Declarant.

(2) In the event that no Non-Residential Lots are established in the Project by the time the Developer annexes all the Properties into the Project, the Residential A Lot Owners shall elect these directors in the manner prescribed in Section 7.4(c)(i).

(B) Each Non-Residential Director, except for members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of three (3) years until his successor shall be elected and qualified or until the earlier of the Directors: (i) resignation; (ii) death or (iii) until he is removed in the manner [elsewhere] provided. At the first annual meeting, the terms of office for the Non-Residential Directors shall be fixed wherein one (1) Director shall serve for one (1) year, one (1) Director shall serve for two (2) years, and one (1) Director shall serve for three (3) years. Directors may be removed from office without cause by a majority of the votes of the Non-Residential Members present at a meeting of the Association called for such purpose.

(iv) At-Large Director.

(A) There shall be one (1) At-Large Director elected by the majority of the votes cast (on a noncumulative basis) by the Residential Members, as those classes are defined in Section 7.2. The At-Large Director must own a Lot or Condominium Unit in Ladd Landing or the authorized representative of a Lot Owner. Any written authorization shall be filed with the Association. The voting for the At-Large Director shall be as follows:

Class I and Class II Members - two (2) votes for each Residential
A Lot owned;

Class III Members - one (1) vote for each Condominium Unit owned;

Class IV and Class V Members - twenty-five (25) votes for each
Non-Residential Lot owned.

For purposes of voting for the At-Large Director, a Construction Section shall constitute one (1) Lot either residential or non-residential, as the case may be.

(B) The At-Large Director, except for the members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of five (5) years until his successor shall be elected and qualified or until the earlier of the Directors: (i) resignation; (ii) death or (iii) until he is removed in the manner elsewhere provided. At the first annual meeting, the terms of office for the At-Large Director shall be calculated as provided in Section 7.4(c)(iv)(A) above for five (5) years. At-Large Directors may be removed from office

without cause by a majority of the votes cast, calculated as provided in Subsection 7.4(iv)(A), at a meeting of the Association called for such purpose.

(d) Regular Meetings. A regular meeting of the Board shall be held without notice immediately after, and at the same place as, the annual meeting of the Association. The Board may also provide, by resolution, the time and place for the holding of additional regular meetings without additional notice.

(e) Special Meetings. Special meetings of the Board may be called by the President of the Association or by any three (3) Directors. The Director(s) calling a special meeting shall deliver or mail to all other Directors, at least five (5) days before the date of such meeting, notice of the time and place of the meeting and notice of the subjects to be considered. Only matters described in the notice may be considered at special meetings, unless notice of the agenda is waived pursuant to subparagraph 4(i) hereof.

(f) Action Without a Meeting. The board of Directors may take any action without the necessity of a meeting by resolution signed by all the Directors.

(g) Quorum. A majority of the Directors in office shall constitute a quorum of the Board. The Directors may hold a meeting only if a quorum is present, but if less than such majority is present at a meeting, a majority of those present may adjourn the meeting from time to time without further notice, if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment does not exceed thirty (30) days in any one (1) adjournment.

(h) Voting. Each Director shall be entitled to one (1) vote. The vote of a majority of the Directors present at any meeting shall decide any questions brought before the meeting.

(i) Waiver of Notice. A Director's attendance at a meeting of the Association shall constitute waiver of notice of the time and place thereof. Notice of the subject(s) to be considered at a special meeting of the Directors may be waived by written waiver at each Director's option.

(j) Compensation. Directors shall not be compensated, directly or indirectly, for services rendered in their capacities as Directors.

(k) Officers. The Board shall appoint a President, Secretary, Treasurer, and such other officers as it may decide.

(l) Delegation. The Board may delegate any of its duties hereunder to such committees, person or entities as it may elect.

Section 7.5 Fiscal Year. The fiscal year of the Association shall correspond with the calendar year.

ARTICLE VIII ASSESSMENTS

Section 8.1 Creation of the Lien and Personal Obligation of Assessments.

(a) The Declarant, for every Lot, hereby covenants, and each Owner by acceptance of a deed for a Lot, whether or not expressed in the deed, is deemed to covenant and agree to pay the Association: (i) annual assessments or charges, and (ii) special assessments for capital improvements. The assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made.

(b) Each assessment, together with interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall pass to his successors in title, except as provided in Section 8.10.

Section 8.2 Purpose of Assessments. It is anticipated that many of the Private Roadways and rights-of-way in the Project shall not be accepted for maintenance by the City of Kingston. In addition, the Association shall have the responsibility to maintain the slopes, banks, detention ponds, plantings, etc., located along Ladd Landing Boulevard pursuant to the terms and conditions of the Maintenance Agreements. Therefore, it is to the benefit of the Declarant, Owners, Occupants and any other Person using any portion of the Property that procedures are in place to maintain the Property and the Private Roadways, rights-of-way and other Common Areas. Assessments may be imposed to:

(a) provide, maintain, repair and replace (where necessary and to the extent not dedicated to and accepted and maintained by public authority), the Common Areas, including but not limited to the Private Roadways, parking areas, Utility Easements, street lighting, other lighting, landscaped areas, walkways, paving, curbing, striping, signage or other roadbed maintenance, slopes, banks, ditches, detention structures, and sidewalks serving the Project, including the costs of repairs, replacements, and additions, the cost of labor, equipment, materials, management and supervision for these items;

(b) maintain insurance on the Private Roadways, Utility Easements and other Common Areas for the Association as required by this Declaration, the Maintenance Agreements, or as determined by the Board;

(c) pay all costs associated with maintaining the Association's status as a not for profit Tennessee corporation, bookkeeping, accounting, office expense and other ordinary and customary costs to operate a business;

(d) pay the fees of any management agent the Association may employ to manage the affairs of the Association;

(e) pay such other reasonable and necessary expenses of the Association required or reasonably related to the carrying out of the rights, duties and responsibilities of the Association;

(f) promote the recreation, health, safety, and welfare of the Owners; and

(g) such other purposes which are approved by a majority of the Board.

Section 8.3 Annual Assessment, Capital Reserve Account and Working Capital Account.

(a) (i) Assessments shall be charged for each Lot which has been conveyed from Declarant to an Owner. The initial assessment shall be paid by the Owner at the time the Owner purchases the Lot from the Declarant. Subsequent assessments shall commence January 1 of the following year, and shall be on an annual basis due on January 1st of each year in the amount set by the Board as provided in Section 8.7.

(ii) No Owner shall be exempt from payment of assessments by the waiver or non-use of the Common Area or by the abandonment of his Lot.

(iii) All funds collected for the Association for the Roadway Reserve Account shall be held in a capital reserve account and shall be used for the purpose of road paving and replacement. The remaining assessments shall be held in a working capital account and can be used for any of the purposes set forth in Section 8.2.

(b) The Association shall collect an amount equal to at least two (2) months' assessments for each Lot at the time of the closing of the sale by Declarant to a purchaser of a Lot. These funds shall be maintained in the working capital account for the use and benefit of the Association to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable. The two (2) month assessment shall not to be considered as advance payment of the regular assessment.

(c) (i) The Declarant will be subject to paying the annual assessment on all Lots still owned by the Declarant in Phase I after January 1, 2007. For Lots in Additional Phases, the Declarant will be subject to paying the annual assessments on the Lots still owned by the Declarant in that Additional Phase five (5) years from the date of the recording of any Supplementary Declaration. At Declarant's option, this fee may be prorated and paid monthly to the Association.

(ii) Except for: (A) its obligation to complete the initial construction of any Common Area; (B) its responsibilities under any Maintenance Agreement; and (C) its responsibilities as an Owner as provided herein, Developer shall not have any responsibility for the maintenance, repair or replacement of any part of the Common Areas after the date this Declaration is recorded; provided, however, in the event Declarant expends any of its own funds for the repair, replacement or maintenance of any of the Common Areas or Limited Common Areas, Declarant shall be entitled to a credit for such sums against any common expenses Declarant might be required to pay by virtue of being an Owner.

(iii) Declarant will not be obligated to pay any operating fund deficiencies that are due to non-payment of assessments by Owners other than the Declarant and nothing contained in this paragraph shall be deemed to relieve or release any Owner from the obligation of that Owner to pay that Owner's share of the assessments for common expenses.

(iv) Declarant may make "in kind" contribution of materials and substances or a combination of services or materials with Declarant or other entities for the payment of some portion of the deficit. All "in kind" contributions of services and materials shall be valued at the reasonable market value of such service or materials.

Section 8.4 Maximum Increase to Annual Assessments.

(a) From and after January 1, 2005, the maximum annual assessment may be increased each year not more than 10% above the assessment for the previous year unless approved by majority of the votes cast by the Members, calculated in the manner established in Section 7.3(c)(ii).

(b) The Board shall fix the annual assessment at an amount not in excess of the maximum.

Section 8.5 Special Assessments for Capital Improvements.

(a) In addition to the annual assessments authorized above, once Declarant has conveyed all of the Lots in the Properties, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Utility Easements, and other Common Areas, including improvements, drains, pipes, ditches, slopes, detention structures, banks, fixtures and personal property related thereto to the extent such cost exceeds the replacement reserves for those items. Any such assessment shall be approved by eighty percent (80%) of the votes cast by the Members, calculated in the manner established in Section 7.3(c)(ii).

(b) In addition to the annual assessments authorized above, once Declarant has conveyed all of the Lots in the Properties, the Association may levy, in any assessment year, a special assessment applicable to the Lots accessed by the Private Roadways for that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Private Roadways, including improvements, roads, drains, pipes, ditches, slopes, detention structures, banks, fixtures and personal property related thereto to the extent such cost exceeds the replacement reserves for those items. Any such assessment shall be approved by eighty percent (80%) of the votes cast by the Lot Owners serviced by the Private Roadway. Provided further, in the event that the local governmental officials maintain or repair a Private Roadway, the Association shall have the right to levy a special assessment to pay such costs which special assessment shall not require the consent of the Lot Owners serviced by the Private Roadway.

Section 8.6 Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized by this Article shall be sent to all Members not less than thirty (30) days

nor more than sixty (60) days in advance of the meeting, and shall state the purpose of such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty-five percent (65%) of all the votes, calculated in the manner established in Section 7.3(c)(ii), shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8.7 Rate of Assessment.

(a) Definitions:

(i) “Road Frontage” shall mean the number of lineal footage of Private Roadways on the side of the Lot where the driveway is or shall be located; in no event shall more than one (1) side of a Lot be used to calculate the Road Frontage.

(ii) “Lot Owner’s Roadway Frontage” shall mean:

- (A) twice the Road Frontage for Lots located in a cul-de-sac; and
- (B) one-half (½) of the Road Frontage for all other Lots.
- (C) (1) In the event that the Lot is not used for a single family residence, then the Lot Owner’s Road Frontage shall mean the number of Total Units multiplied by the Road Frontage.
- (2) The provisions of Section 8.7(a)(ii)(A) and (B) notwithstanding, if the Total Units on a Lot is one (1) but the Lot exceeds ten (10) acres then the Lot Owner’s Road Frontage shall be the product of the Road Frontage multiplied by five (5).

(iii) “Lot Owner’s Percentage” shall mean the amount of Road Frontage used to calculate the Owner’s share of the Roadway Reserve Amount, as determined by the following formula:

$$\frac{\text{Lot Owner's Roadway Frontage}}{\text{Total lineal footage of Private Roadways in the Project (excluding any publicly maintained roads)}} = \text{Lot Owner's Percentage}$$

(iv) “Roadway Reserve Amount” shall mean the amount placed in reserve on an annual basis to replace the Private Roadways as calculated by the following formula:

$$\frac{\text{Total Replacement Cost of Private Roadways (including paving)}}{\text{Years remaining before repaving or replacement is required}} = \frac{\text{Amount in Capital Reserve Account for Private Roadways and Replacement}}{\text{Roadway Reserve Amount}}$$

(v) "Roadway Assessment" shall mean the Lot Owner's percentage of the Roadway Reserve Amount calculated by multiplying the Lot Owner's interest by the Roadway Reserve Amount. For example:

$$\text{Roadway Assessment} = \frac{\text{Lot Owner Percentage}}{\text{Roadway Reserve Amount}} \times \text{Roadway Reserve Amount}$$

(vi) "Lot Owner's Pro Rata Share" shall mean the percentage determined by the following formula:

$$\frac{\text{Total Units on the Owner's Lot}}{\text{Total Units on all the Lots within the Project}} = \text{Lot Owner's Pro Rata Share}$$

(vii) "Total Units" shall mean:

- (A) for Lots being used for residential uses, including Residential A Lots and Condominium Lots, and any Lot being used for apartments, multi-family residences, hotel, motel or transient residence, the number of units located on the Lot intended for single family occupancy; and
- (B) for commercial or retail uses, each 1,000 square feet of the structure located on the Lot shall constitute one (1) unit.

(b) Lot Owners whose Lots are accessed through Private Roadways will be assessed for the costs to repair and maintain the Private Roadways, repair and maintain the Project and to operate the Association. The rate of annual assessments for a Lot shall be the sum of:

- (i) the Road Assessment; and
- (ii) the Lot Owners Pro Rata Share of:
 - (A) costs of repairing and maintaining those portions of the Project subject to Maintenance Agreements (excluding the costs of maintaining Private Roadways) and repairing and maintaining all other Common Areas; and

(B) costs of: (1) insurance; (2) maintenance of the Association's corporate status, bookkeeping and other charges, as provided in Section 8.2f; and (3) such other expenditures that are approved by the Board.

(c) Lot Owners who are located on a publicly maintained right-of-way will be assessed for the costs to repair and maintain the Project and to operate the Association. The rate of annual assessments for a Lot shall be the sum of the Lot Owners Pro Rata Share of:

(i) costs of repairing and maintaining those portions of the Project subject to Maintenance Agreements (excluding the costs of maintaining Private Roadways) and repairing and maintaining all other Common Areas; and

(ii) costs of: (1) insurance; (2) maintenance of the Association's corporate status, bookkeeping and other charges, as provided in Section 8.2; and (3) such other expenditures that are approved by the Board.

(d) Special Assessments will be based on Lot Owners Pro Rata Share of the total amount of such Special Assessment; provided, however, in the event the Special Assessment is for Roadway repair and replacement, then only the Lot Owners accessed by the Private Roadway shall pay the Special Assessment and for such purpose and the Lot Owner's share of such Special Assessment shall be calculated as provided in Section 8.7(a)(v).

(e) The Board may provide for assessments to be collected on a monthly basis. The books and records for the Association will be kept in such a manner that it is possible to determine and ascertain:

(i) such sums as are expended by the Association for development, improvements, maintenance and upkeep of the Common Areas, Private Roadways and other costs;

(ii) the amount in the Roadway Reserve account for repaving and replacement of the Private Roadways; and

(iii) such sums as are expended for other purposes.

Section 8.8 Date of Commencement of Annual Assessments; Due Dates.

(a) The assessments provided for herein shall commence as provided in Section 8.3. Thereafter, the Board shall fix the amount of the annual assessment against each Lot so assessed at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board.

(b) The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8.9 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the lower of: 1) the rate of fifteen percent (15%) per annum or 2) the maximum rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot, as provided in Section 8.11. Interest, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of this Lot.

Section 8.10 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or home equity mortgage. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 8.11 Enforcement of Lien. For and in consideration of the privileges, protection, mutual enjoyment and use of the Easements and the improvements contained herein, the receipt of which is hereby acknowledged by the Owners, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of said assessments, principal, interest, and attorney's fees, a lien is expressly retained by the Association on each and every Lot, the improvements located thereon and pro rata interest in the Association.

(a) For the purpose of better and more effectively securing the payment of said lien indebtedness, rendering unnecessary court proceedings for the enforcement of said lien in the event of the non-payment of said indebtedness and payments thereof, as they become due, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the said Owners, their heirs, administrators and assigns, hereinafter referred to as "Trustors," hereby transfer and convey unto Richard Evans of Roane County, Tennessee, hereinafter referred to as "Trustee," his successors and assigns, the real estate hereinbefore described, with the appurtenances, estate, title, and interest thereto belonging upon the following uses and trusts:

Trustors agree to pay their pro rata share of assessments when due and further agree to pay all taxes and assessments thereon, general or special, and to pay them when due, and upon demand of said Trustee or the lawful owner and holder of said indebtedness, to pay, discharge, or remove any and all liens (except a Mortgage or Deed of Trust) which may be hereafter placed against said property and which shall adversely affect the lien of this instrument or

enforcement of the terms and provisions hereof; to keep the improvements on said property in good repair and preservation, and in case the Trustee or his successors or the lawful owner and holder of said indebtedness shall hereafter be required to appear in any court or tribunal to enforce, or defend the title to, or possession of, said property, or the lien of this instrument, or appear in any court to prove the above indebtedness, all the costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed, and be payable by Trustors upon demand of the Trustee or lawful owner or holder of said indebtedness, and, upon failure to do any of these things, then said Trustee, or the lawful owner and holder of said indebtedness may do any or all of these things and the amounts so paid shall bear interest at the rate the maximum rate allowed by law from the date of payment and shall be and become a part of the indebtedness secured hereby.

Now if the trustors shall pay their pro rata share of assessments aforesaid when due, and pay any and all sums when due, as aforesaid, then this trust conveyance shall be of no further force or effect. But if said indebtedness, or any payment thereof, or interest thereon, is not paid promptly when due, or if, failing to pay said other sums when due, as herein provided, Trustors fail to reimburse the Trustee, or lawful owner and holder of said indebtedness for all sums, with interest, so expended by said Trustee, or lawful owner and holder of said indebtedness, within thirty (30) days from date of such payment, this trust conveyance shall remain in full force and effect, and the said Trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty (20) days' notice by three (3) publications in any newspaper, daily or weekly, published in Roane County, Tennessee, to sell said property at the front door of the Court House in said County to the highest bidder for cash, at public outcry, free from the equity of redemption, statutory right of redemption, homestead, dower, spouse's elective share and all other exemptions of every kind, which are hereby expressly waived; and the said Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Association may bid at any sale under this trust conveyance. The Trustee may, at any time after default in the payment of any of said indebtedness, enter and take possession of said property, and shall only account for the net rents actually received by him. It is further agreed that, in the event the Trustee fails, before selling said property, as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a deed for said property. In case of sale hereunder, the proceeds will be applied by the Trustee as follows:

(i) To the full and complete satisfaction of the interest of the first mortgage holder, unless arrangements have been made for the assumption of the first mortgage by the subsequent purchaser.

(ii) To the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided; also reasonable attorneys' fees for advice on the premises, or for instituting or defending any litigation which may arise on account of the execution of this conveyance or the enforcement of said lien; also the expenses of such litigation.

(iii) To the payment of all taxes which may be unpaid on said premises.

(iv) To the payment of all unpaid indebtedness herein secured, and any and all sums expended in the protection of said property, as herein authorized.

(v) The residue, if any, will be paid to the Trustors and their successors, representatives or assigns.

(b) In case of the death, absence, inability, or refusal to act of said Trustee at any time when action under the foregoing power and trusts may be required or for any other reason, the lawful owner and holder of the lien is hereby authorized and empowered to name and appoint a successor to execute this trust by an instrument in writing to be recorded in the Office of the Register of Deeds Roane County, Tennessee, and the title herein conveyed to the above named Trustee shall be vested in said successor.

(c) The word "Trustors" when used herein shall apply to parties both singular and plural.

(d) This transfer and conveyance, and the lien for assessments payable by an Owner which is secured by the transfer and conveyance, shall be subordinate to the lien of a recorded First Mortgage or Deed of Trust or home equity loan on the interest of such Owner, regardless of whether the First Mortgage, Deed of Trust or home equity loan was recorded before or after this instrument, except for the amount of the proportionate share of assessments which become due and payable from and after the date on which the Mortgagee or Beneficiary accepts a conveyance of any interest therein (other than as security) or forecloses its Mortgage or Deed of Trust. While the lien for assessments may be extinguished, the personal indebtedness therefore shall remain and be the personal obligation of the Owner who owned the Lot when the assessment came due. Any delinquent assessments (after lien extinguishment) may be reallocated and assessed among all Lots as a common expense. This Section 8.11 shall not be amended, changed, modified or rescinded to adversely affect the priority of First Mortgagees or Beneficiaries of record, without the prior written consent of all First Mortgagees and Beneficiaries.

ARTICLE IX ROADWAYS

Section 9.1 Private Roadways.

(a) The Declarant establishes, dedicates and creates, for the benefit of each and every Owner of a Lot accessed through a Private Roadway, but limited to those Lot Owners who use the Private Roadway for access to their Lot, such Owner's customers, employees, tenants, subtenants, invitees, licensees, and guests, the Association's employees and contractor and subcontractor, all emergency personal, utility workers, meter readers, postal employees and other governmental entities who use or maintain the Private Roadways and utility systems a perpetual, mutual, reciprocal, and non-exclusive easement, license, right and privilege of passage and use, both pedestrian and vehicular, for purposes of ingress and egress in, to, upon, and over any roads, streets, rights-of-ways and sidewalks, as shown on the Plat, or other Plat, as same may be amended from time to time, including, but not limited to an easement for surveying, installing, maintaining and constructing the Private Roadways. Within the Private Roadways, no barricade or other structure shall be placed or permitted to remain which may interfere with the free ingress and egress in, to, upon and over the Private Roadways to all Lots serviced by the Private Roadway, subject to the restrictions contained this Article IX.

(b) As used herein, "Private Roadways" shall include any areas shown on the Roadway Plat or other Plat as "Private Road", "Private Access Easement", "Private Street", "Private Right-of-Way" or similar designation or which are specifically identified as such on a Supplemental Declaration.

(c) In the event that the appropriate governmental entities accept the Private Roadways as a public road or otherwise agrees to maintain the rights-of-way contained therein, then the Declarant, or if the Declarant has conveyed all Lots in such phase, the Association, shall have the right to grant easements for maintenance and/or dedicate and convey the Private Roadways, however designated as such on the Private Roadway Plat or other Plat, to such governmental entity. The Owners hereby appoint the Declarant or the Association, as the case may be, or their authorized representatives, to act as the Owners' attorney-in-fact coupled with an interest, for the sole purpose of executing any deeds, easements or other documents necessary to dedicate such right-of-way or road as a public road, to convey same to the appropriate governmental body and to grant necessary easements or maintenance agreements for the Private Roadways.

Section 9.2 Initial Construction of Public Roads and Private Roadways.

(a) The right is expressly reserved to the Declarant and Owners, their representatives, heirs, successors and assigns, to construct all streets, roads, alleys, or other ways, public or private, as now, or hereafter may be, shown on the Plat(s), at such grades or elevation as they, in their sole discretion, may deem proper; and, for the purpose of constructing such streets, roads, alleys or ways, whether public or private, the Developer shall have an easement upon and along each Lot, for the construction of proper bank slopes in accordance with the specifications of the governmental body or agency having jurisdiction over the construction of the roads; the width

of this easement shall vary based on the topography of the Lot but shall not extend five (5) feet beyond the top of the slope bank. No Owner of any Lot shall have any right of action or claim for damages against any person or entity on account of the grade of elevation at which such road, street, alley or way, public or private, may hereafter be constructed, or on account of the maintenance of the bank slopes located on a Lot.

(b) The Declarant, or its successors and assigns, shall be responsible for constructing all the public roads and Private Roadways. No vehicular traffic (including construction traffic) shall be permitted on the public roads and Private Roadways, or on the area shown on and dedicated as a road on the Plat without the prior written consent of both the Declarant and the Contractor constructing the road, utilities and drainage facilities, until the base paving layer has been placed on the road.

Section 9.3 Use of the Private Roadways. The use of the Private Roadways will, in each instance, be non-exclusive and for the use and benefit of: (a) the Owners, their respective heirs, successors and assigns who use the Private Roadways to access their individual Lot; (b) the agents, customers, invitees, licensees, employees, servants, contractors, mortgagees, and tenants of the respective Owners to the extent such Owners grant such rights from time to time; (c) the Association's employees, servants, licensees, contractors, and agents to the extent authorized by the Association (all of which persons described in (b) through (d) above are hereinafter called "Permittees"); and (d) all emergency personal, utility workers, meter readers, postal employees and other governmental entities who use or maintain the Private Roadways and utility systems. If unauthorized use is being made of any easement area by an Owner or a Permittee, such unauthorized use may be restrained or terminated by appropriate proceedings after ten (10) days written notice to the defaulting party and failure to abate such unauthorized use within that time.

Section 9.4 Initial Maintenance of the Private Roadways. Until the final paving (topping) has been installed on the Private Roadways, Declarant will be responsible for all maintenance, repairs and replacements to the Private Roadways, except for damage to the Private Roadways caused by an Owner, his contractors or employees as provided in this Declaration. Upon completion of the construction of the Private Roadways (including the road topping), the Declarant shall be released from all further maintenance obligations for the Private Roadways, except as they may arise due to the Declarant being the Owner of a Lot.

Section 9.5 Maintenance of the Private Roadways. Except to the extent that such areas might be operated and maintained by public authorities or utilities, the Association will operate and maintain all of the Private Roadways. The Association shall, in its performance of its obligations hereunder, act reasonably and make all reasonable efforts to minimize any inconvenience to and interference with the use of a Lot by an Owner. Furthermore, in the event temporary obstruction of any access to a Lot is necessary for repair or maintenance purposes, obstruction shall be of as short a duration as possible, and at such hours as interfere the least with all Owners' use of their Lots, and at no time shall all access to a Lot be obstructed for any duration. Anything to the contrary contained herein notwithstanding, during any construction on a Lot, the Owner of a Lot will be responsible for damage to the Private Roadways or the Easements described in Article X due to the construction on that Owner's lot.

Section 9.6 Security Gate It is anticipated that some all or all of the Private Roadways will have security systems or security gates. The Association is authorized to provide all city workers and public emergency personal, including policemen, firemen, ambulance personnel, and all similar persons, the access codes or some method of access which shall be satisfactory to the emergency personal or may otherwise be required by the governmental entities.

ARTICLE X EASEMENTS

Section 10.1 Utility, Drainage, Slopes and Storm Water Easements.

(a) The Declarant establishes, dedicates, reserves and creates a perpetual, mutual, reciprocal, and non-exclusive easement, license, right and privilege of passage and use, both pedestrian and vehicular, for purposes of ingress and egress in, to, upon, and over any Private Roadways, Common Areas, streets, rights-of-ways and sidewalks, for the installation and maintenance of utilities, including but not limited to water, sewer, electricity, gas, telephone, cable, optic fiber, and computer lines, and drainage facilities. These easements are for the benefit of the Declarant, the Association, and any utility company providing utility services at the Project which easements are: (i) as shown on the Plat; (ii) within the right-of-ways of any Private Roadways; (iii) within the area described in any separate recorded easement agreement; or (iv) as they may be shown on subsequent Plats of any portion of the Property. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements (the "Utility Easements").

(b) The Declarant establishes, dedicates, reserves and creates a perpetual, mutual, reciprocal, and non-exclusive easement, license, right and privilege of passage and use, both pedestrian and vehicular, for purposes of ingress and egress in, to, upon, and over all Lots for the construction, maintenance, repair and replacement of the bank slopes in accordance with the specifications of the governmental body or agency having jurisdiction over the construction of the public roads; the width of this easement shall vary based on the topography of the Lot but shall not extend five (5) feet beyond the top of the slope bank. No Owner of any Lot shall have any right of action or claim for damages against any person or entity on account of the maintenance of the bank slopes located on a Lot.

(c) After the completion of the Utility Easement, the Association or the applicable utility company, shall be responsible for maintaining, repairing or replacing any Utility Easements, structures and facilities related thereto located on the Owner's Lot.

(d) Neither Declarant, any governmental entity nor any utility company using the Utility Easement shall be liable for any damage done by either of them or their successors or assigns, or by their agents, employees or servants to shrubbery, trees, flowers or improvements of the Owner located on the land within of affected by Utility Easements. A right of pedestrian access by way of

a driveway or open lawn area shall also be granted on each Lot, from the front Lot line to the rear Lot line to any utility company having an installation in the easement or a service line providing utility services to the Lot. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or public utility company is responsible.

Section 10.2 Easement for Maintenance of Common Areas. It is intended that the Declarant and/or Association will engage such independent contractors as may be necessary or appropriate to provide means of ingress and egress, landscaping, irrigation systems, drainage, detention ponds, ditches, sidewalks, bus stops or other waiting or rest areas, lighting, or similar facilities for the joint use by, and benefit of, the Owners and users of the Lots, as well as for the maintenance and repair of the Common Areas. To this end, the Owner of each Lot hereby grants a non-exclusive easement, co-extensive with the terms of this Declaration, the Declarant, the Board and the Association and their employees, for the improvement, maintenance and repair and replacement of Common Areas.

Section 10.3 Rights Retained by Declarant.

(a) The Declarant reserves the right to amend any Plat to: (1) grant necessary road, utility and drainage easements; (2) provide for the orderly development of the Properties; (3) dedicate the Private Roadways or any other right-of-way as a dedicated public rights-of-way as provided in Article IX; and (4) subdivide, resubdivide or revise any Lot(s) shown on the Plat (provided that the Owner of the Lot(s) consents to such resubdivision or revision).

(b) Declarant hereby reserves an easement upon, over, and across the Common Areas for purposes of access, ingress, and egress to and from the Lots during the development of the Property and during the period of construction of improvements on such Lots. Declarant shall be responsible for and shall repair all damage to the Common Areas arising out of or resulting from its development of the Property and construction of improvements on the Lots.

Section 10.4 Association's Right of Entry. An authorized representative of the Association shall be entitled to reasonable access to the individual Lots as may be required in connection with the preservation of property of an individual Lot or in the event of an emergence or in connection with the maintenance of, repairs or replacements with the Common Area, or any equipment, facilities or fixtures affecting or serving other Lots or the Common Area or to make any alteration required by an governmental authority.

Section 10.5 Emergency. There is hereby reserved, without further assent or permit, a general easement to all policemen, security guards employed by Declarant or by the Association, firemen, ambulance personnel, and all similar persons to enter upon the Project or any portion thereof which is made subject to this Declaration in the performance of their respective duties.

ARTICLE XI
COMMON AREA

Section 11.1 Owners' Easement of Use and Enjoyment.

(a) Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the provisions of the Plat, this Declaration and the rules and regulations of the Association. The right of enjoyment is subject to the following provisions:

(i) The right of the Association to limit the use of the Common Area (excluding the Private Roadways and Utility Easements servicing the Lots) to Owners or Occupants of the Lots, their families and their guests.

(ii) The right of the Association to borrow money for the purpose of improving the Common Area or for constructing, repairing or improving any facilities located or to be located thereon, and to give as security for the repayment of any such loan a mortgage conveying all or a part of the Common Area.

(iii) The right of the Association to suspend the voting rights and the right to use the Common Areas (excluding the Private Roadways and Utility Easements servicing a Lot), for any period during which any assessment against a Lot remains unpaid, and for a period of time for any infraction of its rules and regulations.

(iv) The right of the Association to dedicate or transfer any or part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association and such agency, authority or utility.

(v) The right of the Association to grant licenses to an Owner whose Lot is immediately adjacent to any electrical power transmission easements as shown on the Plat for the purpose of enclosing portions of the easement for use as a stable or grazing area for horses.

(vi) The right of the Board to establish rules and regulations governing the rights of Lot Owners to the Limited Common Areas adjacent to their Lot.

(b) Owners may delegate their rights of enjoyment to the Common Areas to the member of their immediate families or their tenants or contract purchasers who reside on the Lot. Membership in the Association may not be conveyed separately from ownership of a Lot.

(c) (i) The Association may dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the Members; provided, however, except as provided in Article IX as to the Private Roadways, Article X as to the Easements, and this Article XI that no such dedication or transfer shall be effective unless at least three-fourths (3/4) of the votes of the Members, calculated as provided in Section 7.3(c)(ii), agree to such dedication or transfer and

signify their agreement by a signed and recorded written document; and provided further this paragraph shall not preclude the Board or the Association from granting easements for the installation and maintenance of electrical, telephone, cable vision, water and sewerage, utilities, and drainage facilities upon, over, under, and across the Common Areas without the assent of the membership when such easements are requisite for the convenient use and enjoyment of the Project. The Declarant shall also have the right to cause the Association to swap property, if necessary to cure any set-back or other building regulations violation, provided that the total amount of Common Area shall not be diminished and such transfer is done in accordance with all applicable regulations.

Section 11.2 Limitation on Use. The right to use the Common Area and the Limited Common Area provided for herein shall be subject to and governed by the provisions of the Act, this Declaration, the Bylaws, and the Rules and Regulations from time to time adopted and approved by the Association, or to the extent applicable, the Tennessee Valley Authority, as to any Common Area and Limited Common Area. In addition, the Declarant, or the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of this Declaration. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions and regulations as the Board may adopt or prescribe.

ARTICLE XII PREMIER RESORT

Section 12.1 Premier Resort and Premier Resort Committee

(a) The Developer intends to establish the Project as a Premier Resort, pursuant to T.C.A. §57-4-102(17). Subject to the rules and regulations of the Tennessee Alcoholic Beverage Commission, or its successors, the Association may obtain a liquor by the drink license and assign that license to one or more Lot Owners within the Property to operate an establishment selling alcoholic beverages; such locations to be known as a Premier Resort Facility ("PRF").

(b) (i) The Developer shall establish a Premier Resort Committee ("PRC") which shall have the sole authority to make rules and regulations governing the operation of any PRF within the Project.

(ii) The PRC shall be composed of three (3) individuals: (A) one shall be the President of the Association; (B) one shall be the Declarant, and (C) one shall be the representative of a PRF Operator.

(iii) In the event that there is one or more PRF within the Property, then the member on the PRC representing the PRF Operators shall be elected by all of the PRF Operators with each PRF Operator having one (1) vote for each twenty-five (25) patrons permitted to occupy the PRF at any one (1) time.

(iii) At such time as Developer divests itself of all Lots within the Properties, the Developer's membership on the PRC shall be transferred to a person selected by the president of the Association and the PRF's representative.

(c) Members of the PRC shall be appointed for ten (10) year terms. Members of the PRC shall not be removed by the Board except for: (i) gross malfeasance, which shall be defined as any act which would cause the Association to lose its license as a Premier Resort or (ii) at the request of the Tennessee Alcoholic Beverage Commission.

Section 12.2 Facility Requirements. The construction, reconstruction, remodeling, alteration, or addition of or to any structure or building or improvement of any PRF is subject to prior written approval of the PRC, or its successors, as to the location, plans, and specifications therefor. The proposed PRF Operator shall submit to the PRC two (2) complete sets of building plans and specifications showing: (a) the plans and specifications of the kitchen facilities; (b) satisfactory evidence of the approval of the kitchen facilities by the local fire marshal, health department, beer boards and any other government agency governing the operation of a facility; (c) the menus of the facility; (d) proof of insurance required by Section 12.4; and (e) such applications, documents or other matters required by the Tennessee Alcoholic Beverage Commission.

Section 12.3 Variances. Anything contained in this Article XII, or elsewhere in this Declaration to the contrary notwithstanding, the PRC is hereby authorized and empowered, at its sole and absolute discretion, to make and permit reasonable variances, modifications or deviations from any of the requirements of this Declaration; provided, however, such variances, modifications and deviations must remain within all applicable ordinances, rules and regulations established by the appropriate governmental bodies, including the Tennessee Alcoholic Beverage Commission and those governing the sale of alcohol beverages in Roane County, Tennessee.

Section 12.4 Insurance

(a) The PRF Operator shall be responsible for providing proof of insurance , including but not limited to:

(i) Commercial general liability insurance for personal injury, bodily injury, death and property damage liability in amounts not less than \$3,000,000.00 per occurrence, \$4,000,000.00 aggregate (inclusive of umbrella coverage) or such lesser or greater amount as PRC in PRC's sole discretion may accept, for bodily injury, personal injury and property damage. PRC retains the right to periodically review the amount of said liability insurance being maintained by PRF Operator and to require an increase in the amount of said liability insurance should PRC deem an increase to be reasonably prudent under then existing circumstances;

(ii) dram-shop or similar type of insurance; and

(iii) Such other insurance on the PRF or on any replacements or substitutions thereof or additions thereto as may from time to time be required by PRC against other

insurable hazards or casualties which at the time are commonly insured against in the case of similar facilities.

(b) All such insurance shall: (i) be with insurers authorized to do business in the State of Tennessee and who have and maintain a rating of at least A-V or better from Best, (ii) contain the complete address of the Project (or a complete legal description), (iii) be for a term of at least one (1) year, (iv) contain deductibles no greater than \$1,000.00 unless otherwise approved by PRC, and (v) be subject to the approval of PRC as to insurance companies, amounts content, forms of policies, method by which premiums are paid and expiration dates.

(c) PRF Operator shall deliver to PRC evidence that all insurance policies have been paid current and certified copies of such insurance policies and original certificates of insurance signed by an authorized agent evidencing such insurance satisfactory to PRC. PRF Operator shall renew all such insurance and deliver to PRC certificates evidencing such renewals at least thirty (30) days before any such insurance shall expire. PRF Operator further agrees that all such insurance policies: (i) shall provide for at least thirty (30) days' prior written notice to PRF Operator prior to any cancellation or termination thereof and prior to any modification thereof which affects the interest of the Association; and (ii) shall name the Association as an additional insured and waive all rights of subrogation against the Association.

(d) In the event PRF Operator fails to provide, maintain, keep in force or deliver and furnish to PRC the policies of insurance required by this Declaration or evidence of their renewal as required herein. PRC may, but shall not be obligated to, procure such insurance and PRF Operator shall pay all amounts advanced by PRC, together with interest thereon and attorney's fees as provided in Section 18.1 from and after the date advanced by PRC until actually repaid by PRC Operator, promptly upon demand by PRC. Any amounts so advanced by PRC, together with interest thereon, shall be secured by a lien for assessments established by this Declaration

(e) The PRC shall have the authority to levy special assessment on all PRF's in order to provide funds for insurance for the purpose of defraying, in whole or in part, the cost of insurance for such facilities.

Section 12.5 Books and Records

(a) PRF Operator will keep and maintain or will cause to be kept and maintained on a fiscal year basis, in accordance with the rules and regulations of the Alcohol Beverage Commission (or such other accounting basis reasonably acceptable to PRF), proper and accurate books, records and accounts reflecting (i) all of the business affairs of the PRF and (ii) all items of income and expense in connection with the operation of the PRF.

(b) PRC shall have the right from time to time at all times during normal business hours upon reasonable notice to examine such books, records and accounts at the office of the PRF Operator or other person maintaining such books, records and accounts and to make such copies or extract thereof as PRC shall desire.

(c) PRF Operator will furnish PRC monthly, within twenty-four (24) business days following the end of each month, with a true, complete and correct cash flow statement with respect to the PRF, together with a certification of the PRF Owner stating that such statement is true, complete and correct.

(d) PRF Operator shall furnish to PRC, within ten (10) days after PRC's request therefor, such further detailed information with respect to the operation of the PRF and the financial affairs of PRF as may be reasonably requested by PRC.

(e) PRF Operator shall furnish to PRC copies of all tax returns filed by PRF Operator, within thirty (30) days after the date of the filing.

(f) PRF Operator shall furnish to PRC annual balance sheets for the PRF, and annual financial statements for PRF, within ninety (90) days after the end of each calendar year.

(g) If any of the aforementioned materials are not furnished to PRC within the applicable time periods or PRC is dissatisfied with the contents of any of the foregoing, in addition to any other rights and remedies of PRC contained herein, PRC shall have the right, but not the obligation, to obtain the same by means of an audit by an independent certified public accountant selected by PRC, in which event PRF agrees to pay, or to reimburse PRC for any expense of such audit and further agrees to provide all necessary information to said accountant and to otherwise cooperate in the making of such audit.

ARTICLE XIII CONSTRUCTION PROVISIONS

Section 13.1 Utilities. Prior to the start of any construction, the Owner or contractor shall arrange to have the water and electric power necessary for the construction metered into the Lot. No temporary utility service may cross any public roads or the Private Roadways for any reason.

Section 13.2 Dumpster. A dumpster must be placed on Lot prior to the start of any construction and remain on site until the construction is completed.

Section 13.3 Drainage and Erosion Control.

(a) Drainage of each Lot shall conform to the general drainage plans, as shown on the Plats. Each Lot shall be graded and landscaped so as to direct drainage down the side Lot lines, away from adjacent Lots, as approved by the ARC. No storm water drains, roof downspout or ground water shall be introduced into the sanitary sewerage system.

(b) The Owner will comply with all codes and zoning restrictions promulgated by the governmental bodies having jurisdiction over such matter in the City of Kingston, Tennessee. Use of hay bales or silt screens must be erected prior to the commencement of grading as soil erosion barricades to minimize siltation. Mud or debris on any public roads or the Private Roadways caused

by new construction or otherwise affecting any public roads or the Private Roadways and Utility Easements will be the responsibility of the Owner causing such to occur and must be cleaned each day.

(c) (i) Each Owner shall install, inspect, or maintain erosion or sediment control for the Lot. The Owner or its contractor will sign the contractor's certification on a copy of the NOI and will submit all forms required by Declarant to the Office of the Tennessee Department of Environment and Conservation. The Owner or its contractor shall prefer the following basic sequence of storm water prevention activities:

- (A) Install construction entrance;
- (B) minimize clearing of lot;
- (C) leave vegetation buffer between construction and lake and/or drainage (where not possible to leave a vegetation buffer strip install buffer strip using sod as soon as possible);
- (D) divert runoff from site to temp sediment trap using temporary berms and ditches (may be omitted if up gradient of detention basin);
- (E) use silt fence liberally;
- (F) topsoil will be stockpiled for future use (if topsoil will not be used within 30 days it will be immediately seeded);
- (G) perform inspection and maintenance per this plan;
- (H) control downspout runoff by diverting it around disturbed soil;
- (I) for sediment traps, silt fences, sedimentation ponds, and other sediment control devices, perform sediment removal once 50% of the sediment storage volume has been used;
- (J) reseed and mulch as soon as practicable, generally within 7 days of achieving final grade (use permanent plantings if practicable for time of year);
- (K) perform inspection and maintenance per this plan;
- (L) water seed bed as needed;
- (M) installing erosion control matting on steeper slopes;
- (N) perform paving and concrete work per applicable Best Management Practices ("BMP") per the Handbook;
- (O) after use, remove silt fences or otherwise prevent them from becoming a storm water pollution source; and
- (P) temporary measures may be removed at the beginning of the workday, but will be replaced at the end of the workday.

(ii) In the event that the Owner deviates from the approved plans and specifications or fails to comply with the NOT and SWPPP applicable to the Lot, then Declarant and/or the Association shall have all rights and remedies provided by Section 18, including but not limited to the right to enter the Lot to correct the deficiency, at the sole cost and expense of the Owner, and/or the right to seek a mandatory injunction against the Owner.

Section 13.4 Construction Entrance. Gravel must be installed on the Lot driveway as soon as the drive is cut in. A construction entrance must be maintained throughout construction in full compliance with the regulations of the governmental bodies having jurisdiction over such matters and the rules and regulations of the Declarant.

Section 13.5 Restroom. Portable restroom facilities must be installed at the construction site at the time construction is begun and kept on the Lot until construction is completed.

Section 13.6 Clean Up. The Owner or contractor shall ensure that a cleanup of the job site and surrounding area is completed each day. Failure to do so may result in the Association completing the work, the cost of which will be charged to the Owner of the Lot and subject to the enforcement provisions of Article XIII.

Section 13.7 Parking. The Owner or contractor shall ensure that all construction vehicles are parked on the Lot. No vehicles shall be parked in any public roads or the Private Roadways or on any sidewalk unless the Lot is situated so parking of all vehicles on the Lot is not possible. Parking on any area other than the Lot must be approved by the Declarant or the Board.

Section 13.8 Fires. Except as permitted by the ARC, no open fires will be allowed on any Lot.

Section 13.9 Concrete, Gravel and Building Material Delivery, Washout of Trucks. There is no wash-out area in the Property. All trucks must be washed out on the Lot. The contractor will insure that no concrete is allowed to wash to any areas adjacent to the Lot. Concrete may be delivered to any Lot only in trucks containing not more than six (6) yards of concrete in Residential A Sections (eight (8) yards of concrete in all other sections) or twelve (12) tons of gravel, dirt or other building or fill materials in order to limit damage due to excessive weight of trucks.

Section 13.10 Right-of-Ways and Utility Easements.

(a) It shall be obligatory upon all owners of the Lots in the Project to consult with the City Engineer of the City of Kingston, Roane County, Tennessee, before any driveways, culverts, other structures or grading are constructed within the limits of any Private Roadways, Ladd Landing Boulevard, or other public right-of-ways and such placement or construction shall be done in accordance with the requirements of the City of Kingston in order that the roads or streets within the Properties which would be affected by such placement or construction may not be disqualified for acceptance by the City into the public road system.

(b) Any damage to the Private Roadways, Utility Easements or any improvements located thereon caused by a Owner, its employees, contractors, suppliers or customers shall be a charge to the Owner and shall be paid within thirty (30) days of receipt of invoice specifying the cost of repairing the damage. The Declarant or Association shall be entitled to use the collection methods specified in Article V to collect for such damages, including, but not limited to, the right to lien the Owner's property.

(c) Each Lot Owner agrees to indemnify and hold harmless the Declarant, the Association, the Board and all other Lot Owners from any claim, loss or threat of loss caused by that Owner's construction of improvements on a Lot or the operation of such improvements upon completion of construction, including, but not limited to, court costs and a reasonable attorney's fee.

Section 13.11 Hours of Construction. No construction, repair, demolition, grading, etc. of a Lot or improvements located thereon shall occur between the hours of 8:00 p.m. and 6:00 a.m., Monday through Saturday and no work shall occur on Sunday except between the hours of 1:00 p.m. and 5:00 p.m.

ARTICLE XIV DAMAGES OR DESTRUCTION

Section 14.1 Damage or Destruction. In the event of damage or destruction to any structure located on a Lot within the Property, the respective Owner thereof agrees as follows:

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

(b) In the case of partial damage or destruction, the Owner shall, as promptly as an insurance adjustment may be made, cause the damage or destruction to be repaired and restored in a first class condition in accordance with the plans and specifications of the original structure and in conformity with its original exterior painting and decor. Any change or alteration must be approved by the ARC, in accordance with Article III hereof. In no event shall any damaged structure be left unrepaired and unrestored in excess of the lesser of sixty (60) days from the date of the insurance adjustment or six (6) months from the date of the loss.

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

ARTICLE XV INSURANCE

Section 15.1 Casualty Insurance on Insurable Area. The Association shall keep all insurable improvements and fixtures of the Common Areas (excluding any improvements constructed by a Lot Owner on the Common Areas, i.e. boat docks, as further provided in Section 4.4) insured against loss or damage by fire for the full insurance replacement cost thereof, and may

obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the Assessments made by the Association. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

Section 15.2 Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Areas (but specifically excluding improvements constructed by a Lot Owner), the Association shall repair or replace the same from the insurance proceeds available.

(a) If the damage is to any public roads or the Private Roadways and the insurance proceeds are insufficient to cover the costs of repair or replacement of any public roads or the Private Roadways damaged or destroyed, the Board may: (i) make a Special Assessment to cover the additional cost of repair or replacement and/or (ii) use the amounts in the Roadway Reserve Account as provided in Section 8.7 for such repair or replacements.

(b) If the damage is to any other portion of the Common Areas and the insurance proceeds are not sufficient to cover the repair or replacement, the Board may: (i) make a Special Assessment against all Owners to cover the additional cost of repair or replacement and/or (ii) use amounts in the working capital accounts for such repairs or replacements.

Section 15.3 Liability Insurance. The Board shall also have authority to and shall obtain comprehensive public liability insurance, in such amounts as it deems desirable, officers and directors' fidelity insurance, worker's compensation insurance and other liability insurance as it deems desirable, insuring each Owner, mortgagee of record, if any, the Association, its officers, directors, Board and employees the City of Kingston and the Declarant from liability in connection with the Common Areas, including but not limited to the Private Roadways, Ladd Landing Boulevard, other private right-of-ways and Utility Easements. The premiums for such insurance shall be a common expense.

Section 15.4 Fidelity Bond Coverage. The Association shall also obtain fidelity coverage covering officers, directors, and employees who handle or are responsible for handling Association funds. Such coverage shall be in such amounts as the Board, in its best business judgment may determine, but in no event less than: (i) three (3) months' aggregate assessments on all Lots, plus reserve funds in the custody of the Association, at any given time during the term of each bond, and which shall contain waivers of any defense based upon the exclusion of person serving without compensation. The fidelity coverage policy shall provide that it may not be canceled or substantially modified without at least thirty (30) days' written notice to the Association. The premiums for such insurance shall be a common expense.

Section 15.5 Other Insurance.

(a) (i) The Association shall also obtain such other insurance as it deems reasonably desirable or necessary, in such amounts, from such sources and in such forms as it deems desirable, insuring the Common Areas, each member and officer of the Association, and each member of any committee appointed pursuant to the Bylaws, from liability arising from the fact that said person is or was a director or officer of the Association, or a member of such a committee. The Board may (but shall not be required to) require of those performing any maintenance, repair or other work on the Property for which the Association is responsible such liability or other insurance, including worker's compensation, as it deems reasonably desirable or necessary or desirable given the nature, circumstances and amount of the work being performed.

(ii) The premiums for such insurance and bonds shall be a common expense.

(b) All insurance obtained by the Association shall provide that there may be named as an insured, on behalf of the Association, the Association's authorized representative who shall have exclusive right to negotiate settlements and to perform such other functions as necessary to accomplish this purpose. The Association, or its authorized representative, shall act as attorney-in-fact for each Owner under each policy obtained by the Board for all purposes and to the extent permitted by law.

Section 15.6 Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board in order to ascertain whether the coverage contained in the policies is sufficient to provide the coverage required by the provisions of this Declaration or as may be otherwise deemed reasonably desirable or necessary by the Association.

ARTICLE XVI
CONDEMNATION

Section 16.1 Condemnation.

(a) In the event of a taking in condemnation or by eminent domain of a part of the Common Area, the award made for such taking shall be payable to the Board for and on behalf of the Association. If the Board in its sole and absolute discretion approves the repair and restoration of such Common Area, the Board shall arrange for the repair and restoration of such Common Area, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Board does not approve the repair and commence restoration of such Common Area within one hundred twenty (120) days after receipt of the award, the Board shall disburse the net proceeds of such award on a fair and reasonable basis to the mortgagees directly affected by the condemnation and the balance to the Owners directly affected. The decision of the Board as to the fairness and reasonableness shall be binding upon all parties if such decision reasonably relates to the given facts.

(b) If a Lot is acquired by a taking in condemnation or by eminent domain so as to leave the Owner with a remnant which may not practically or lawfully be used for any purpose permitted by this Declaration, upon acquisition by the condemning authority, unless the decree provides otherwise, each affected Owner's interest in the Common Area and its common expense liability shall be automatically reallocated by the Association to the remaining Lots in proportion to their respective interests and liabilities before the taking. Any remnant of a Lot remaining shall thereafter be Common Area.

(c) If any Lot or portion thereof, or the Common Area, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by a condemning authority, then the mortgagee of any Lot Owner will be entitled to timely written notice of any such proceeding or proposed acquisition, and no provision of this Declaration will entitle the Owner or other party to priority over such lender with respect to the distribution of the proceeds of any award or settlement as to such Lot.

ARTICLE XVII RIGHTS OF LENDER

Section 17.1 Notices to Lender. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the name and address of the affected Owner, any mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) any condemnation or casualty loss that affects either a material portion of the Properties or the Lot securing its mortgage or deed of trust;

(b) any sixty (60) day delinquency in the payment of assessment or charges owed by Owner of any Lot on which it holds a mortgage or deed of trust.

(c) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(d) any proposed action that required the consent of a specified percentage of mortgage or deed of trust holders.

Section 17.2 Right to Information.

(a) Any holder of a first mortgage or deed of trust is entitled, upon written request, to a financial statement for the immediately preceding fiscal year of the Association. The Association is required to make available not only to Owners, but the lenders, and to holders, insurers or guarantors of any first mortgage or deed of trust, current copies of the Declaration, By-Laws, other rules concerning the Properties, and the books, records and financial statement of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

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

Section 17.3 Special Actions Requiring Mortgagee Approval. Notwithstanding anything herein to the contrary, unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each first mortgage owned) or Owners (other than the Declarant) of the individual Lots have given their prior written approval, the Association shall not be entitled to:

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

(b) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas or facilities. The conveying of Private Roadways to a governmental body who has agreed to maintain the Private Roadways and the granting of easements for public utilities or for other public purposes consistent with the intended use of the common facilities by Ladd Landing, L.L.C. shall not be deemed to transfer within the meaning of this clause;

(c) Use hazard insurance proceeds for losses to any Common Areas or facilities for other than the repair, replacement or reconstruction of such improvements, except as provided by statute.

Section 17.4 Notices of Mortgages. Any Owner who mortgages his ownership interest shall notify the Association in such manner as the Association may direct, of the name and address of his mortgagees and thereafter shall notify the Association of the payment, cancellation or other alteration in the status of such mortgages. The Association shall maintain such information in a book entitled "Mortgages."

Section 17.5 Further Right of Mortgagees.

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

(b) The Association shall give to the FHLMC, the VA or the FHA or any lending institution servicing such mortgages as are acquired by the any of the foregoing, notice in writing of any loss to or the taking of the common facilities if such loss or taking exceeds Ten Thousand Dollars (\$10,000.00). The Association may rely on the information contained in the book entitled "Mortgages" as must be established pursuant to this Declaration for a list of mortgages to be notified hereby.

ARTICLE XVIII
GENERAL PROVISIONS

Section 18.1 Enforcement.

(a) In addition to the rights and remedies contained in Article VIII, the Declarant, the Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions covenants, reservations, liens and charges not or hereafter imposed by the provisions of this Declaration, including the right to prosecute an action or other proceeding against any defaulting Lot Owner for enforcement of any lien and the appointment of a receiver for the Lot and ownership interest of such Lot Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collections thereof, or the right to sell the Lot through judicial process, or for any combination of remedies, or for any other relief. All expenses of the Declarant, the Association or any Owner in connection with any such action or proceedings including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the lesser of fifteen (15%) percent per annum, or the highest rate then allowed by applicable law, until paid, shall be charged to and assessed against any such defaulting Lot Owner, and shall be added to and deemed part of the assessment to which the Lot in question is subject, and the Declarant, the Association or any Owner shall have a lien for all of the same, as well as for nonpayment of the assessment to which the Lot in question is subject, upon the Lot of such defaulting Lot Owner and upon all of such Owner's additions and improvements thereto and upon all of such Owner's personal property on the Lot or located elsewhere in the Property, provided, however, that such lien shall be subordinate to the lien of a recorded first mortgage of deed of trust on the interest of such Lot Owners, except for the amount of the proportionate share of the assessment to which the Lot in question is subject which becomes due and payable from and after the date on which the said mortgage or deed of trust owner or holder either takes possession of the Lot, or accepts a conveyance of any interest therein (other than as a security). In the event of any such default by any Lot Owner, the Declarant, the Association or any Owner shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner and Lot. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Declarant or the Association. This paragraph shall be not amended, changed, modified or rescinded without prior consent of all holders of record of mortgages and deeds of trust against Lots in the Property.

(b) The violation of any restriction, condition or regulation adopted by the Association or the breach of any covenant or provision herein contained, shall give the Declarant or the Association the right, in addition to any other rights provided for in this Declaration: (a) to enter (either peaceably or forcibly without liability to such Lot Owner for such entry) upon the portion of a residence thereon, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Lot Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Declarant or the Association, or its employees or agents, shall not thereby be deemed guilty of any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession (either peaceably or forcibly without liability

to such Lot Owner for such entry) of such Lot Owner's interest in the Property and to maintain an action for possession of such Lot in the manner provided by Law.

(c) If any Lot Owner (either by such Owner's own conduct or by the conduct of any other occupant of the Lot) shall violate any of the covenants or restrictions or provisions of this Declaration or the regulations adopted by the Association, and if such default or violation shall continue for ten (10) days after notice to the Lot Owner in writing from the Association or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Association, then an action in equity may be filed by the Association against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or any occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Lot owned by such Owner on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Lot shall be sold (subject to any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting owner from reacquiring such Owner's interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner.

(d) In addition to the other remedies provided for herein, in the event of a default by a Lot Owner in the payment of assessment due from the Lot Owner which default continues for a period of ninety (90) days, the Association shall have the power and authority to place such Lot Owner's name on a list of delinquent Lot Owners, which list may be posted at a place designated by the Association for notices. Failure by the Association, the Board, or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 18.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 18.3 Duration and Amendment.

(a) Unless canceled, altered, or amended under the provisions of this Article, the covenants and restrictions of this Declaration shall run with and bind the land, for a term of fifty (50) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

(b) This Declaration may be amended during the first fifty (50) year period by an instrument signed by not less than seventy-five percent (75%) of all of the Owners, and thereafter by an instrument signed by not less than sixty-five percent (65%) of the Owners, provided: (i) that no amendment shall alter any obligation to pay ad valorem taxes or assessments for the Private Roadways as herein provided, or affect any lien for the payment thereof established herein and (ii)

the Declarant must approve any amendment so long as Declarant owns any portion of the Properties. Any amendment must be recorded in the Register's Office for Roane County, Tennessee.

(c) Any provision of this Declaration notwithstanding, this Declaration cannot be terminated unless the Private Roadways are dedicated and accepted as public rights-of-way the Association has no liability under a Maintenance Agreement and the Utility Easements are accepted by the governmental bodies having jurisdiction over such matters in Roane County, Tennessee, or its successor, as publicly owned and maintained road easements.

(d) Declarant reserves the right to file any amendments that may be necessary to correct clerical or typographical errors in this Declaration, and to make any amendments that may be necessary to conform the Declaration with regulations of the FHLMC, FHA, VA or other applicable regulations that may be necessary to assure lender approval of the development.

Section 18.4 Non-Liability of the Directors, Board and Officers. Neither the directors, Board, any committee of the Association, the Declarant or any manger of the Association, nor the officers of the Association shall be personally liable to the Owners or any other party for any mistake or judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers, manager, committee members or Declarant, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The Lot Owners shall indemnify and hold harmless each of the directors, Board, or officers and their respective heirs, executors, administrators, successors and assigns in accordance with the By-Laws.

Section 18.5 Board's Determination Binding. In the event of any dispute or disagreement between any Owners relating to the Property, or any questions or interpretation or application of the provisions of the Declaration or By-Laws, the determination thereof by the Board shall be final and binding on each and all such Owners.

Section 18.6 Notices.

(a) Notices provided for in the Declaration or By-Laws shall be in writing, and shall be addressed to the Declarant, Association or Board at 1000 Brentwood Way, Kingston, Tennessee 37763 or any Owner, as the case may be, at the Owner's Lot number address, or at such other address as hereinafter provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Owners. Any Owner may designate a different address for notices to him (other than to his or her Lot) by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person upon written acknowledgment of the receipt thereof.

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

Section 18.7 Rights of Declarant to Maintain a Sales Office. Declarant, or any other party designated by Declarant, shall have the right to place on any Lot a sales and/or construction trailer and to establish in any residence or other building completed on any Lot a sales office with appropriate signs, and any such sales or construction trailer or building may continue to be used until the complete sales promotion and sale of all Lots, and all residences constructed on the Properties to be sold, have occurred, notwithstanding any other provision in this Declaration.

Section 18.8 Books and Records. The books and records of the Association shall, during reasonable business hours, be subject to inspection by any Member upon five (5) days prior notice. The Charter, the By-Laws of the Association, and this Declaration shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

Section 18.9 Rights and Obligations.

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

(b) All present and future Owners, tenants and occupants of a Lot shall be subject to, and shall comply with, the provisions of the By-Laws referred to herein, as they may be amended from time to time. The acceptance of a deed of conveyance, devise or of a lease to a Lot, or the entering into occupancy of any Lot, shall constitute an agreement that the provisions of the said By-Laws and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Lot, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease, thereof.

(c) The terms and conditions of the Declaration, By-Laws, and Rules and Regulations may be incorporated by reference in, and become part of, the agreement between any first mortgagee and any present or future Owner who enters into such an agreement with a first mortgagee. When so incorporated, any default in the terms and conditions of the Declaration, By-Laws, and Rules and Regulations may be considered as a default by the first mortgagee, whereupon said first mortgagee, after exercising its option to declare a default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Owner.

Section 18.10 Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, George W. Bush.

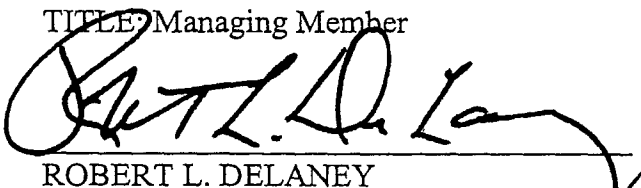
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal, this 6th day of ~~April~~^{May}, 2003.

DECLARANT:

LADD LANDING, L.L.C.

BY: 
MATT C. CALDWELL

TITLE: Managing Member

BY: 
ROBERT L. DELANEY

TITLE: Managing Member

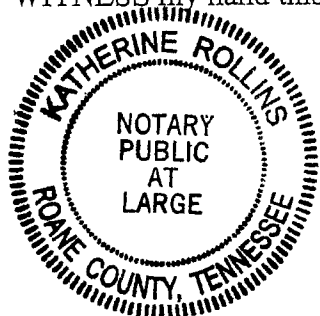
BK DN22 PG 637

STATE OF TENNESSEE

COUNTY OF Roane

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing member of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand this 4th day of April, 2003.



Katherine Rollins
NOTARY PUBLIC

My commission expires: April 11, 2006

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Robert L. Delaney, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a member of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand this 2nd day of April, 2003.

Peggy J. Ayford
NOTARY PUBLIC

My commission expires: 5/28/13

BK DN22 PG 638

IN WITNESS HEREOF, the owner of Lots 45 and 46 located in Section 4 and Lots 36 and 37 in Section 5 of Ladd Landing, of record in Book DZ21, Page 785, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 23 day of April, 2003.

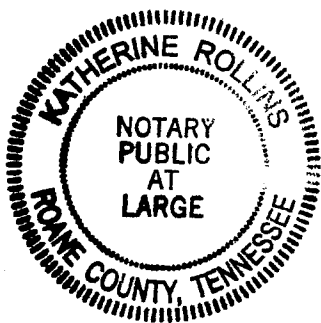
Thomas R. Littlefield
THOMAS R. LITTLEFIELD

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, Thomas R. Littlefield, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 23 day of April, 2003.



Katherine Rollins
NOTARY PUBLIC

My Commission Expires: April 11, 2006

BK DN22 PG 639

IN WITNESS HEREOF, the owners of Lot 54 located in Section 4 of Ladd Landing, of record in Book C22, Page 716, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 14th day of April, 2003.

James D. Nichols
JAMES D. NICHOLS

Rita O. Nichols
RITA O. NICHOLS

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, James D. Nichols, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 14th day of April, 2003.

Vicki B. Murrain
NOTARY PUBLIC

My Commission Expires: 06/06/06

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Rita O. Nichols, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 14th day of April, 2003.

Vicki B. Murrain
NOTARY PUBLIC

My Commission Expires: 06/06/06
BK DN22 PG 640

IN WITNESS HEREOF, the owners of Lot 55 located in Section 4 of Ladd Landing, of record in Book DB22, Page 666, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 11 day of April, 2003.

Bradley D. Taylor
BRADLEY D. TAYLOR

Teresa P. Taylor
TERESA P. TAYLOR

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Bradley D. Taylor, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 11 day of April, 2003.

Kim T. Smith
NOTARY PUBLIC

My Commission Expires: July 14, 2004

STATE OF TENNESSEE
COUNTY OF ROANE


Personally appeared before me, a Notary Public, Teresa P. Taylor, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 11 day of April, 2003.

Kim T. Smith
NOTARY PUBLIC

My Commission Expires: July 14, 2004

IN WITNESS HEREOF, the owner of Lot 56 located in Section 4 of Ladd Landing, of record in Book D22, Page 309, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 27th day of April, 2003.

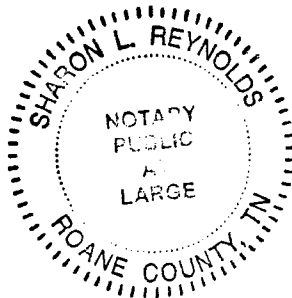

DALLAS T. REYNOLDS


STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, Dallas T. Reynolds, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 27th day of April, 2003.




NOTARY PUBLIC

My Commission Expires: 10/19/2003

BK DN22 PG 642

IN WITNESS HEREOF, the owners of Lot 30 located in Section 5 of Ladd Landing, of record in Book DB22, Page 397, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 15th day of April, 2003.

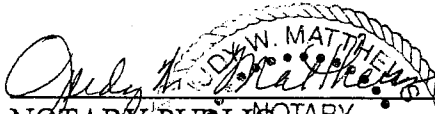

ROBERT H. EASON


ANGELA E. EASON

STATE OF TENNESSEE
COUNTY OF ~~ROANE~~ *Knob*

Personally appeared before me, a Notary Public, Robert H. Eason, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 15 day of April, 2003.


NOTARY PUBLIC
AT
LARGE
My Commission Expires: 7/16-05

STATE OF ~~TENNESSEE~~ *Georgia*
COUNTY OF ~~ROANE~~ *Gwinnett*

BK DN22 PG 643

Personally appeared before me, a Notary Public, Angela E. Eason, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 18 day of April, 2003.


NOTARY PUBLIC

My Commission Expires: January 13th, 2006

OFFICIAL SEAL
Notary Public, Georgia
Cherokee County
CHERYL BROUILLETTE
My Commission Expires January 13th, 2006

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 4 day of April, 2003.

BC4 PROPERTIES, INC.

BY:

M. C. Caldwell, Jr.
MATT C. CALDWELL, JR.

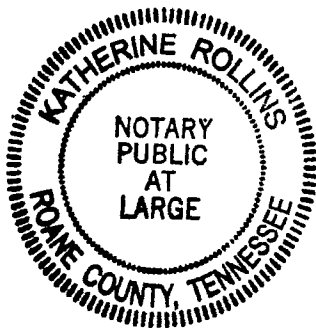
TITLE: President

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is the President of BC4 Properties, Inc., a Tennessee corporation, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand this 4 day of April, 2003.



Katherine Rollins
NOTARY PUBLIC

My commission expires: April 11, 2006

BK DN22 PG 644

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 4 day of April, 2003.

UNIT OWNER:

WORLDWIDE INTERACTIVE NETWORK, INC.
(Suite 100 - Book DE22, Page 554)
(Suite 600 - Book DA22, Page 775)

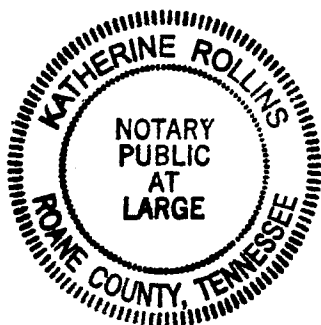
BY: M. C. Caldwell
TITLE: Chief Operating Officer

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Matt Caldwell, Jr., with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is the Chief Operating Officer of Worldwide Interactive Network, Inc., a Tennessee corporation, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand this 4th day of April, 2003.



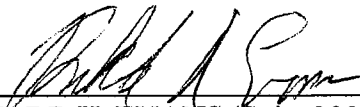
Katherine Rollins
NOTARY PUBLIC

My commission expires: April 11, 2006

BK DN22 PG 645

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 4 day of April, 2003.

UNIT OWNER:



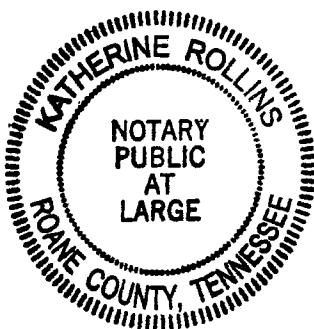
RICHARD K. EVANS (Suite 200 - Book DX21, Page 650)

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Richard K. Evans, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand this 4th day of April, 2003.






NOTARY PUBLIC

My commission expires: April 11, 2006

BK DN22 PG 646

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 8 day of April, 2003.

UNIT OWNER:

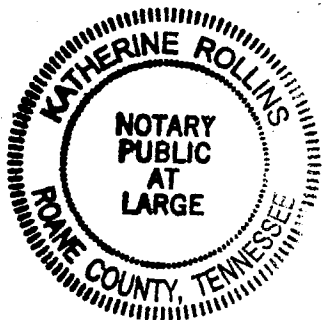

GARY M. WOLFE (Suite 300 - Book DX21, Page 665)

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Gary M. Wolfe, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand this 8 day of April, 2003.



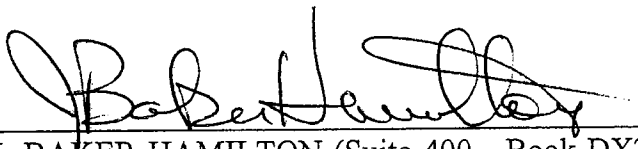

NOTARY PUBLIC

My commission expires: April 11, 2006

BK DN22 PG 647

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 8 day of April, 2003.

UNIT OWNER:

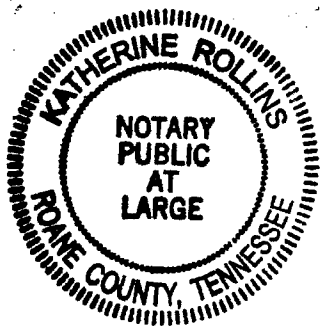

J. BAKER HAMILTON (Suite 400 - Book DX21,
Page 655)

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, J. Hamilton Baker, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand this 8 day of April, 2003.



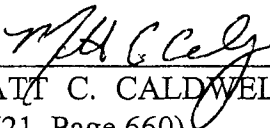

NOTARY PUBLIC

My commission expires: April 11, 2006

BK DN22 PG 648

IN WITNESS HEREOF, the owner of the BC-4 Tract by Deed of record in Book X, Series 21, Page 469 and by Master Deed of record in Book X, Series 21, Page 473, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 4 day of April, 2003.

UNIT OWNER:

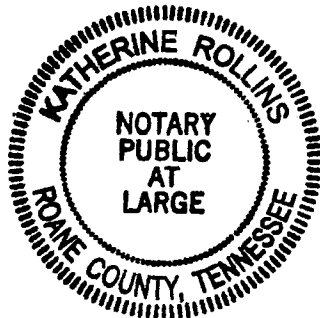

MATT C. CALDWELL, JR. (Suite 500 - Book
DX21, Page 660)

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Matt C. Caldwell, Jr., with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand this 4th day of April, 2003.




NOTARY PUBLIC

My commission expires: April 11, 2006

Ladd-Lan\illage.ccr
Version 10 - 4/2/03

BK DN22 PG 649

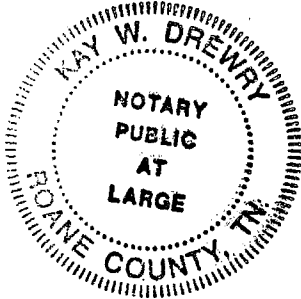
IN WITNESS HEREOF, the owner of Lots 77, 79, 81, 82, 93, 94, 95 & 96 located in Section 6 of Ladd Landing, of record in Book DM22, Page 808, Register of Deeds Office for Roane County, Tennessee, hereby acknowledges, approves, adopts and declares the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subjects her Lots to the terms and conditions of the Declaration on this 9th day of April, 2003.

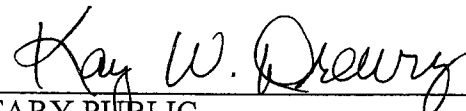

TERESA CHASTEEN

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Teresa Chasteen, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 9th day of April, 2003.




NOTARY PUBLIC

My Commission Expires: 6-18-05

IN WITNESS HEREOF, the owner of Parcel BC-2 located in Ladd Landing, of record in Book DN22, Page 239, Register of Deeds Office for Roane County, Tennessee, hereby acknowledges, approves, adopts and declares the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subjects its Lot to the terms and conditions of the Declaration on this 30th day of April, 2003.

ROANE MEDICAL CENTER HOSPITAL
AUTHORITY

BY: [Signature]

TITLE: Administrator

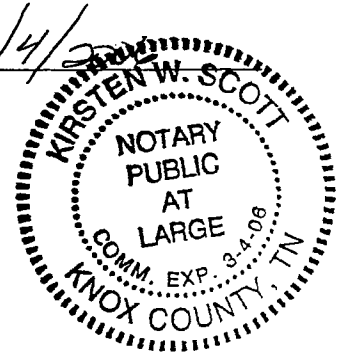
STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, James D. Gann, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is the Administrator of Roane Medical Center Hospital Authority, a Tennessee hospital authority, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 30th day of April, 2003.

[Signature]
NOTARY PUBLIC


My Commission Expires: 3/4/2006



Ladd-Lan\villeage.ccr
Version 10 - 4/24/03

BK DN22 PG 651

IN WITNESS HEREOF, the owner of Lot 34 located in Section 5 of Ladd Landing, of record in Book DN22, Page 443, Register of Deeds Office for Roane County, Tennessee, hereby acknowledges, approves, adopts and declares the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subjects his Lot to the terms and conditions of the Declaration on this 1 day of May, 2003.

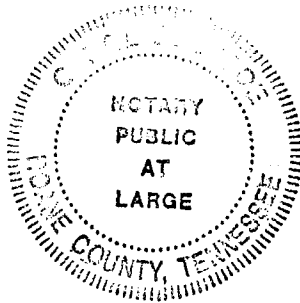


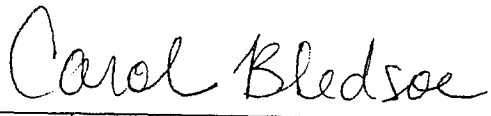
J. BAKER HAMILTON

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, J. Baker Hamilton, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 1st day of May 2003.





NOTARY PUBLIC

My Commission Expires: 3-18-06

IN WITNESS HEREOF, the owner of Lot 1 located in Section 1 of Ladd Landing, of record in Book DM22, Page 578, Register of Deeds Office for Roane County, Tennessee hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject the Lot to the terms and conditions of the Declaration on this 15th day of May, 2003.

TAS PROPERTIES

By: *Steve H. Kirkham*Title: OwnerBy: *Steve G. Kirkham*Title: Owner

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, STEVE H. KIRKHAM, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is the OWNER of TAS Properties, a Tennessee partnership, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 15th day of May, 2003.

Christie M. Wallace
NOTARY PUBLIC

My Commission Expires: 2-15-06



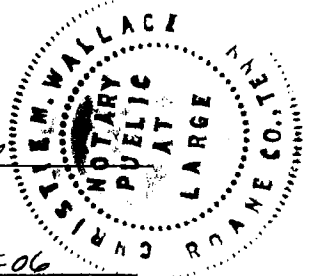
STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, TERESA G. KIRKHAM, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained and who further acknowledged that she is the OWNER of TAS Properties, a Tennessee partnership, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 15th day of May, 2003.

Christie M. Wallace
NOTARY PUBLIC



My Commission Expires: 2-15-06

IN WITNESS HEREOF, the owners of Lot 44 located in Section 4 of Ladd Landing, of record in Book DA22, Page 136, Register of Deeds Office for Roane County, Tennessee, hereby acknowledge, approve, adopt and declare the terms, conditions and restrictions contained in this Amended and Restated Declaration of Covenants, Conditions and Restrictions of Ladd Landing (the "Declaration") and subject their Lot to the terms and conditions of the Declaration on this 15th day of May, 2003.

Michael K O'Brien
MICHAEL K. O'BRIEN

Angela M. O'Brien
ANGELA M. O'BRIEN

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Michael K. O'Brien, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 15th day of May, 2003.

Christina M. Wallace
NOTARY PUBLIC

My Commission Expires: 2-15-06



STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Angela M. O'Brien, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 15th day of May, 2003.

Christina M. Wallace
NOTARY PUBLIC

My Commission Expires: 2-15-06

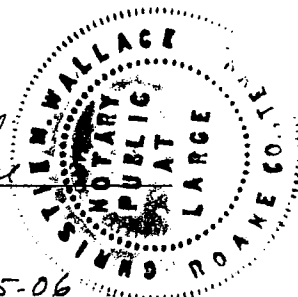


EXHIBIT "A"
PROPERTY

Being that certain property being located in Roane County, Tennessee and being shown on the plats of record in:

Plat Name	Recording Information
Parcels BC-1, BC-2 & BC-4 Ladd Landing @ Kingston Waterford Place, Ladd Landing Blvd., North Kentucky St.	Plat Cabinet B, Page 189(2)
Ladd Landing @ Kingston Fleet Street & Part of Ladd Landing Boulevard (Sheet 1 of 4)	Plat Cabinet B, Page 186(1)
Ladd Landing @ Kingston Fleet Street & Part of Ladd Landing Boulevard (Sheet 2 of 4)	Plat Cabinet B, Page 186(2)
Ladd Landing @ Kingston Fleet Street & Part of Ladd Landing Boulevard (Sheet 3 of 4)	Plat Cabinet B, Page 187(1)
Ladd Landing @ Kingston Fleet Street & Part of Ladd Landing Boulevard (Sheet 4 of 4)	Plat Cabinet B, Page 187(2)
Ladd Landing @ Kingston Part of High Street (Private Street) (Sheet 1 of 2)	Plat Cabinet B, Page 188(1)
Ladd Landing @ Kingston Part of High Street (Private Street) (Sheet 2 of 2)	Plat Cabinet B, Page 188(2)
Re-plat of Lots 60-66, Section 3 Ladd Landing @ Kingston High Street & The Battery	Plat Cabinet B, Page 198(2)
Revision of Lots 30-43, Section 5 Ladd Landing @ Kingston King Close, High Street & The Battery	Plat Cabinet B, Page 189(1)
Re-plat of Lot #1, Section 1 Ladd Landing @ Kingston High Street & Sheerwater Road	Plat Cabinet B, Page 199(1)

Plat Name	Recording Information
Re-plat of Lots 44-59, Section 4 Ladd Landing @ Kingston The Battery (Sheet 1 of 3)	Plat Cabinet B, Page 197(1)
Re-plat of Lots 44-59, Section 4 Ladd Landing @ Kingston The Battery (Sheet 2 of 3)	Plat Cabinet B, Page 197(2)
Re-plat of Lots 44-59, Section 4 Ladd Landing @ Kingston The Battery (Sheet 3 of 3)	Plat Cabinet B, Page 198(1)
Re-plat of Lots 76-97, Section 6 Ladd Landing @ Kingston Northbridge Close & Ladd Landing Blvd. (Sheet 1 of 3)	Plat Cabinet B, Page 195(2)
Re-plat of Lots 76-97, Section 6 Ladd Landing @ Kingston Northbridge Close & Ladd Landing Blvd. (Sheet 2 of 3)	Plat Cabinet B, Page 196(1)
Re-plat of Lots 76-97, Section 6 Ladd Landing @ Kingston Northbridge Close & Ladd Landing Blvd. (Sheet 3 of 3)	Plat Cabinet B, Page 196(2)
Re-plat of Lots 103-111, Section 7 Ladd Landing @ Kingston Ladd Landing Blvd. & Oak Terrace Cove (Sheet 1 of 2)	Plat Cabinet B, Page 194(2)
Re-plat of Lots 103-111, Section 7 Ladd Landing @ Kingston Ladd Landing Blvd. & Oak Terrace Cove (Sheet 2 of 2)	Plat Cabinet B, Page 195(1)
Parcels BC-3 & BC-9 Ladd Landing @ Kingston Waterford Place, Ladd Landing Blvd.	Plat Cabinet B, Page 199(2)

Being the same property conveyed to Ladd Landing, L.L.C., a Tennessee limited liability company, by Quitclaim Deed of record in Book DV21, Pages 681-686, Register's Office for Roane County, Tennessee.

EXHIBIT "B"
PROPERTIES

TRACT 1:

Located in the 3rd Civil District of Roane County TN within the City of Kingston and being bounded on the north by N Kentucky Street and the Clinch River, on the east by the Clinch River and US TVA, on the south by Bolden Heirs, High Point Orchard Road, Wallace, Bolden, Meredith and the other owners and Interstate #40 and on the west by Caldwell and Laddie Village S/D and being more particularly described as follows:

Beginning on an iron pin in the south right of way (ROW) of N Kentucky Street, said pin being the north east corner of M.C. Gore property and being the north west corner of the Development, and N 48 deg E a distance of 691± from the intersection of the North ROW of Brandau Drive and N. Kentucky Street, thence along the south margin of N Kentucky Street N 51 deg 58 min E a distance of 700.65' to a point, thence N 69 deg 30 min E a distance of 306.66', thence S 83 deg 59 min E a distance of 197.73', thence S 67 deg 14 min E a distance of 321.80', thence S 43 deg 14 min E a distance of 619.0' to a concrete ROW marker, thence S 81 deg 13 min E a distance of 190.0' to a concrete ROW marker, thence S 59 deg 16 min E a distance of 275' to a concrete ROW marker, thence S 30 deg 55 min E a distance of 120.0' to a concrete ROW marker, thence S 60 deg 06 min E a distance of 62.0' to a concrete ROW marker, thence S 80 deg 51 min E a distance of 62.0' to a concrete ROW marker, thence N 81 deg 07 min E a distance of 124.0' to a concrete ROW marker, thence S 81 deg 41 min E a distance of 57.0' to a concrete ROW marker thence S 54 deg 14 min E a distance of 78.0' to a concrete ROW marker, thence S 89 deg 56 min E a distance of 64.0' to a concrete ROW marker, thence N 59 deg 00 min E a distance of 65.0' to a concrete ROW marker, thence N 49 deg 07 min E a distance of 64' to a concrete ROW marker, thence N 38 deg 58 min E a distance of 148.0' to a point, thence N 66 deg 52 min E a distance of 45.60' to an iron pin in the line of TVA and the State of TN, thence leaving N Kentucky Street along the line of TVA (Ref TVA sheet 47 D) S 29 deg 22 min E a distance of 695.53' to TVA marker 47-55, thence N 7 deg 17 min E a distance of 344.53' to marker 47-44, thence N 7 deg 17 min E a distance of 198.71' to the 750 contour of Watts Bar Lake (Clinch River), thence following the contour as it meanders northward and then southeasterly the following calls:

<u>LINE</u>	<u>LENGTH</u>	<u>BEARING</u>
L1	234.20	S52°24'00"E
L2	123.28	S64°22'00"E
L3	298.32	S70°13'00"E
L4	285.46	S55°34'00"E
L5	207.33	S68°37'00"E
L6	121.42	S50°58'00"E
L7	110.14	S21°49'00"E
L8	98.41	S19°24'00"W
L9	125.99	S02°34'00"E
L10	523.19	S22°40'00"E

<u>LINE</u>	<u>LENGTH</u>	<u>BEARING</u>
L11	42.40	N77°12'00"E
L12	470.25	N07°49'00"W
L13	208.66	N02°04'00"E
L14	219.77	N11°23'00"W
L15	61.62	N34°58'00"E
L16	302.30	N58°38'00"E
L17	375.14	N47°31'00"E
L18	381.11	N32°41'00"E
L19	158.96	N06°15'00"E
L20	136.45	N31°03'00"E
L21	419.33	N06°41'00"E
L22	202.51	N21°53'00"E
L23	151.12	N25°28'00"W
L24	269.30	N00°15'38"E
L25	374.25	N04°10'00"E
L26	539.05	N07°33'51"E
L27	360.95	N12°56'00"E
L28	165.36	N19°39'00"E
L29	215.16	N34°09'00"E
L30	191.89	N67°01'00"E
L31	79.96	N74°42'00"E
L32	291.11	S78°09'00"E
L33	247.12	S73°23'00"E
L34	469.42	S56°13'00"E
L35	794.03	S50°55'00"E
L36	275.40	S45°54'00"E
L37	390.39	S50°26'00"E
L38	401.18	S54°30'00"E
L39	172.75	S70°37'00"E
L40	412.87	S73°09'00"E
L41	289.13	S88°21'00"E

to TVA marker 55-49, thence leaving the contour along the TVA line, S 4 deg 48 min E a distance of 361.62' to a concrete marker # 55-34, thence S 34 deg 21 min W a distance of 671.94' to a TVA marker # 55-33, thence S 59 deg 53 min E (crossing a 40' access easement favor of TVA) a distance of 118.91' to a TVA marker, thence S 59 deg 47 min E a distance of 97.63' to TVA marker 55-32, thence leaving the TVA boundary S 30 deg 30 min W (crossing an easement again) a distance of 199.37 to an iron pin, Bolden's corner, thence S 53 deg 43 min W a distance of 298.62' to an iron pin in the line of Bolden, thence following the line of Bolden Heirs S 59 deg 23 min W a distance of 396.40' to an iron pin, thence S 66 deg 54 min W a distance of 266.78' to an iron pin, thence S 59 deg 23 min W a distance of 265.12' to an iron pin, thence S 54 deg 37 min W a distance of 480.12' to an iron pin, thence S 52 deg 21 min W a distance of 343.40' to an iron pin, thence S 51 deg 59 min W a distance of 331.04' to an iron pin, the northwest corner of Bolden and in the line of Galloway, (within a electrical power line

easement) thence following the line of Galloway N 53 deg 15 min W a distance of 459.94' to an iron pin, thence S 16 deg 28 min W a distance of 575.14' to an iron pin, thence leaving the line of Galloway (parcel 6.0, map 48) along parcel 6.01, map 48, R. Dominick's line, S 9 deg 54 min W a distance of 488.67' to an iron pin, corner of parcels 6.01 & 5 of map 48 and in the easement of an electrical power transmission line, corner to Burglio, thence S 3 deg 22 min E a distance of 609.49' to an iron pin and fence post, Walden's corner and the north east corner of parcel 7, map 59, Stout's land, thence along the parcels 7, 5, 6, & 3 of map 59, S 49 deg 07 min W a distance of 464.37' to an iron pin, J. Forrester's corner, thence S 49 deg 10 min W a distance of 365.63' to an iron pin, thence S 49 deg 50 min W a distance of 359.71' to an iron pin, J. Forrester's west corner of parcel 3 and Wallace's northeast corner about 4' west of the west edge of a field road in a electrical power transmission line easement, thence continuing in the easement and along the line of parcel 3, S 41 deg 01 min 21 sec E a distance of 130.68' to an iron pin about 4' west of the west edge of a field road, thence continuing along west of the field road and in the easement S 18 deg 26 min 35 sec E a distance of 125.15' to an iron pin in the north margin of High Point Orchard Road, thence leaving the line of parcel 3 along the road S 70 deg 44 min 08 sec W a distance of 350.75' to an iron pin in the line of Wallace (parcel 3.01), thence leaving the road along the line of parcel 3.01, map 59, N 31 deg 23 min 51 sec W a distance of 117.63' to an iron pin, thence S 48 deg 56 min 19 sec W a distance of 270.45', Bolden's northeast corner, thence along Bolden line (parcel 1.01, map 59) S 72 deg 28 min W a distance of 740.92' to an iron pin, Meredith's northeast corner (parcel 117, map 58) thence N 83 deg 53 min W a distance of 1234.98' to an iron pin, thence S 78 deg 29 min W a distance of 1057.62' to an iron pin, thence S 82 deg 07 min W 815.22' to an iron pin in the ROW of Interstate #40, thence leaving Meredith's line along the ROW a curve to the right with R=3074, Length=964.04' with a chord N 58 deg 53 min W a distance of 960.10' to a concrete ROW marker thence N 40 deg 02 min E a distance of 100.10' to a concrete ROW marker, thence along a curve to the right having a radius R=2974' and length of 457.53' with a chord N 46 deg 10 min W a distance of 457.08' to an iron pin, thence leaving the ROW along parcel 116, map 58 (Rose et al) N 44 deg 39 min E a distance of 474.30' to an iron pin, Caldwell's southwest corner, thence along Caldwell's line N 52 deg 09 min E a distance of 511.28' to an iron pin, thence N 45 deg 01 min E a distance of 395.46' to an iron pin, thence N 50 deg 50 min E a distance of 328.40' to an iron pin, thence N 34 deg 24 min W a distance of 1172.50' to an iron pin in the east line of Roane Hills Subdivision, thence N 34 deg 17 min W a distance of 1304.08' to an iron pin in the east line of Laddie Village S/D, thence N 34 deg 14 min W a distance of 208.56' to an iron pin in the south ROW of N Kentucky Street, the point of beginning containing 708 acres±.

Parcels 2 & 4 Map 48

Parcels 33 & 33.04 Map 47

Portion of Wallace property, Parcel 3.01 Map 59

BEING a portion of the same property conveyed to Ladd Landing, L.L.C., a Tennessee limited liability company, by deed of record in Book DV21, page 681, Register's Office for Roane County, Tennessee.

INCLUDED, BUT SPECIFICALLY EXCLUDED from the legal description of the Properties is the following real estate:

Located in the 3rd Civil District of Roane County, Tennessee within the corporate limits of the City of Kingston and being a portion of Ladd Landing Development and being bounded on the north by N. Kentucky Street, on the east and west by Ladd landing Development and on the south by Ladd Landing Boulevard and being more particularly described as follows:

Beginning on an iron pin in the south margin of N. Kentucky Street, said pin being N 55 deg 05 min E a distance of 848.12 feet from the north west corner of the "Development" & M.C. Gore's northeast corner; thence along N. Kentucky Street the following chords: N 69 deg 30 min E, 153.33 feet; thence S 83 deg 59 min E, 197.73 feet; thence S 67 deg 14 min E, 321.80 feet; and thence S 43 deg 14 min E, 137.27 feet; thence leaving N. Kentucky Street and severing Ladd Landing Development S 19 deg 39 min W a distance of 244.71 feet to the north margin of Ladd Landing Boulevard; thence along the Boulevard the following calls: S 64 deg 03 min W, 93.41 feet; thence S 79 deg 35 min W, 167.61 feet; thence S 86 deg 08 min W, 110.38 feet; thence along a curve R=100, L=26.49, with a chord of N 86 deg 17 min W, 26.41 feet; thence N 78 deg 41 min W, 273.44 feet; thence leaving the Boulevard and severing the "Development" N 03 deg 28 min E a distance of 470.01 feet to the point of beginning containing 7.58 acres±.

This legal description was prepared by Randy L. Denton, 141 Foremost Road, Kingston, Tennessee 37763, RLS #1152.

TRACT 2:

Located in the Third (3rd) Civil District of Roane County, Tennessee being a portion of the dissolved portion of Roane Hills Subdivision (S/D) and the lands to the southeast and southwest of the dissolved portion and being all of Parcel 19, Map 47M, Group B and being more particularly described as follows:

Beginning on a point in the line of Delaney, the southeast corner of Lot 10 of Roane Hills S/D and the northeast corner of the parcel herein described, thence along the Delaney line, South 30 deg. 52 min, East a distance of 360.93 feet to a point; thence approximately along a ridge line, South 56 deg. 38 min. West 500 feet; thence South 34 deg. 53 min. West 100 feet; thence South 48 deg. 23 min. West 100 feet; thence South 66 deg. 53 min. West 200 feet; thence South 62 deg 53 min. West 100 feet; thence South 47 deg. 38 min. West 211 feet; thence leaving the Delaney line, North 30 deg. 52 min. West a distance of 1575 feet to the southwest corner of Lot #4, Laddie Village S/D; thence along the southern line of S/D, North 61 deg 23 min. East a distance of 35 feet; thence leaving the line of Laddie Village S/D along the west of lot lines 9, 27 and 26 of Roane Hills S/D South 30 deg. 52 min. East a distance of 550 feet to the southwest corner of Lot 26; thence along the line of Lot 26, North 49 deg 56 min. East a distance of 91.20 feet to the southwest right of Roark Road; thence along the southern ROW, South 81 deg. 27 min. East 167.70 feet; thence North 69 deg. 38 min. East 150 feet to the west ROW of Highland Street; thence along the west ROW of Highland Street, South 46 deg. 14 min. East a distance of 340.0 feet to the beginning of a cul-de-sac (approximate radius 43 feet); thence around the cul-de-sac a

chord North 82 deg. 38 min. East a distance of 64.20 feet to a point in the east ROW of Highland Street; thence along the ROW North 46 deg. 14 min. West a distance of 380.28 feet to the south ROW of Roark Road; thence along the south ROW North 24 deg. 51 min. East a distance of 154.70 feet to the northwest corner of Lot 16; thence leaving the ROW along the line of Lots 16 through 10 of Roane Hills S/D South 39 deg 02 min. East 131.0 feet; thence South 81 deg. 14 min. East 120.60 feet; thence South 48 deg. 14 min. East 300 feet; thence North 82 deg. 38 min. East 140.20 feet; thence North 59 deg. 31 min. East 296.0 feet to the POINT OF BEGINNING containing 17.7 acres, more or less as surveyed by Randy L. Denton, Tennessee RLS #1152.

Being the same property conveyed to Ladd Landing, LLC from Matt C. Caldwell by an Installment Deed of record in Book DL22, Page 232, Register of Deeds Office for Roane County, Tennessee.

EXHIBIT "C"
BY-LAWS
OF
LAND OWNERS ASSOCIATION OF LADD LANDING, INC.

ARTICLE I
NAME AND LOCATION.

The name of the corporation is LAND OWNERS ASSOCIATION OF LADD LANDING, INC., a Tennessee not-for-profit corporation, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 1000 Brentwood Way, Kingston, Tennessee 37763, but meetings of members and directors may be held at such places within the State of Tennessee, County of Roane, as may be designated by the Board.

ARTICLE II
DEFINITIONS

Section 2.1. "Declaration" shall mean and refer to the Declaration of Easements, Covenants, Conditions, Restrictions and Owners Association for Ladd Landing applicable to the Property.

Section 2.2. "Association" shall mean and refer to the Land Owners Association of Ladd Landing, a Tennessee not-for-profit corporation, its successors and assigns.

Section 2.3. "Lot" shall mean and refer to any plot of land shown upon Plat as that term is defined in the Declaration.

Section 2.4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2.5. "Member" shall mean and refer to every person or entity entitled to membership as provided in the Declaration.

Section 2.6. "Declarant" shall mean and refer to Ladd Landing, L.L.C., a Tennessee limited liability company.

Section 2.7. "Property" shall mean and refer to that certain real property described in the Declaration and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2.8. "Properties" shall mean and refer to any and all of that certain real property now or which may hereafter be brought within the Project as described on Exhibit "B" to the Declaration.

Section 2.9. "Project" shall mean the mixed use development known as Ladd Landing being developed by the Declarant in Roane County, Tennessee.

Section 2.10. "Plat" means the plat of any portion of the Property of record in the Office of the Register of Deeds, Roane County, Tennessee, showing the number of each Lot, any particular restrictions applicable to such Lot and expressing its location and other data necessary for identification together with any amendments and supplements thereto recorded upon the creation of Additional Phases or upon the commencement of construction of additional sections within a previously submitted phase.

Section 2.11. "Construction Sections" shall mean any property shown on a Plat but not designated as a Lot on such Plat, as that term is further defined in Section 2.4 of the Declaration.

Section 2.12. "Private Roadways" shall mean those roads, streets and drives established in Article IX which are located within the bounds of the Properties described on Exhibit B of the Declaration which has been annexed into the Project.

Section 2.13. "Utility Easements" shall mean the easements established in Article X of the Declaration or as otherwise designated or shown on the Plat.

Section 2.14. "Common Area" or "Common Areas" shall mean and refer to any and all real property owned by the Association, and such other property to which the Association may hold legal title, whether in fee or for a term of years, for the non-exclusive use, benefit, and enjoyment of the members of the Association, subject to the provisions hereof, and such other property as shall become the responsibility of the Association, through easements or otherwise. The Common Area shall include but not be limited to, any recreational areas, Private Roadways, Utility Easements and other easements or rights-of-way which may be constructed initially by the Declarant or thereafter by a Successor Declarant or by the Association. Common Areas shall also include any portion of the Ladd Landing Boulevard Plats which the Declarant and the Association are responsible for maintaining pursuant to the Ladd Landing Maintenance Agreement dated March 3, 2003, of record in Book DM22, Page 312, Register of Deeds Office for Roane County, Tennessee. Common Areas with respect to the Properties made subject to the Declaration, whether at the time of filing of the Declaration or subsequently by Supplementary Declaration(s) may be shown on the Plat(s) and may be designated thereon as "Common Areas", "Private Roadways", "Private Access Easements", "Private Roads", "Private Streets" or "Open Space" or such comparable designation.

Section 2.15 "Residential A Lot" shall mean a Lot to be used for single family residential purposes and upon which a free standing house is or shall be located in the Property and designated as a Residential A Lot on the Plat, the Declaration or any Supplementary Declaration.

Section 2.16. "Residential A Owner" shall mean and refer to the Owner of a Residential A Lot.

Section 2.17. "Condominium Lot" shall mean a Lot located in the Property to be used for single family residential purposes and being a condominium established pursuant to the Tennessee Horizontal Property Act, T.C.A. §66-27-101 et. seq. or other similar form of corporative ownership and designated as a Condominium Lot on the Plat, the Declaration or any Supplementary Declaration. A Condominium Lot shall mean the entire condominium development and not an individual unit in such development.

Section 2.18. "Condominium Unit" shall mean a single unit or apartment in a condominium project located on a Condominium Lot.

Section 2.19. "Condominium Owner" shall mean and refer to the Owner of a Unit located on a Condominium Lot.

Section 2.20. "Non-residential Lot" shall mean a Lot used for retail, commercial or office use or for any other purpose including lots containing multifamily rental housing structures, i.e. apartments and designated as a Non-Residential Lot on the Plat, the Declaration or any Supplementary Declaration.

Section 2.21. "Non-residential Owner" shall mean and refer to the record owner of a fee simple title to any unit located on a Non-residential Lot.

Section 2.22. "Class I Members" shall be all Residential A Lot Owners, with the exception of the Declarant, and shall be entitled to vote in the manner established in these Bylaws and the Declaration.

Section 2.23. "Class II Member" shall be the Declarant and shall be entitled to five (5) votes for each Residential A Lot owned in the manner established in these Bylaws and the Declaration.

Section 2.24. "Class III Members" shall be the president of the condominium or homeowners association located on the Condominium Lot, and shall be entitled to vote in the manner established in these Bylaws and the Declaration.

Section 2.25. "Class IV Members" shall be all Non-Residential Lot Owners, with the exception of the Declarant, and shall be entitled to vote in the manner established in these Bylaws and the Declaration.

Section 2.26. "Class V Member" shall be the Declarant and shall be entitled to vote for each Non-Residential Lot owned in the manner established in these Bylaws and the Declaration.

Any terms not specifically defined in these Bylaws shall refer to that term as defined in the Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing.

ARTICLE III MEETING OF MEMBERS

Section 3.1. Annual Meetings. The first annual meeting of the Members shall be held on the second Tuesday of January, 2003 as provided in Article VII, Section 7.3 of the Declaration. 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 time set by the Board as that term is defined in the Declaration, or such other time as the Board may select. 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 3.2. Special Meetings. Special Meetings of the Members may be called at any time by the Board, or upon written request of the Members who are entitled to vote twenty-five percent (25%) of all of the total votes, as calculated by Section 7.3(c) of the Declaration.

Section 3.3. 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 seven (7) days before such meeting to each Member entitled to vote thereat, 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 3.4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, the majority of the votes of the membership shall constitute a quorum, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have 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 or be represented. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the proceeding meeting.

Section 3.5. 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 Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 4.1. Number of Directors: Membership. Except for the Initial Board comprised of the Incorporators, the Board shall consist of seven (7) Directors, unless the Association adopts a resolution establishing a larger Board. Directors shall be: (a) natural persons who have attained the age of eighteen (18) years and (b) Members or the appointed representative of a Member(s). No two Directors (excluding the Declarant) shall be the Owner, (or the representative of the Owner) of a single Lot. Until the first meeting of the Members and until their successors are chosen, the Incorporators shall act as the first Board of Directors.

Section 4.2. Classes, Elections and Terms of Office of Directors. The Association shall have seven (7) directors who shall be elected to serve as follows:

(a) Residential A Directors.

(i) There shall be two (2) Directors elected by a majority of the votes cast (on a noncumulative basis) by the Class I and Class II Members. The two (2) Residential A Directors must be Residential A Lot Owners, with the exception of the Declarant.

(ii) Each Residential A Director, except for members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of two (2) years until his successor shall be elected and qualified or until the earlier of the Director's: (i) resignation; (ii) death or (iii) until he is removed in the manner [elsewhere] provided. At the first annual meeting, the terms of office for the Residential A Directors shall be fixed wherein one (1) Director shall serve for one (1) year and one (1) Director shall serve for two (2) years. Residential A Directors may be removed from office without cause by a majority of the votes of the Class I and Class II Members present at a meeting of the Association called for such purpose.

(b) Condominium Director.

(i) (A) There shall be one (1) Director elected by a majority of the votes cast (on a noncumulative basis) by the Class III Members. This director must be a Condominium Unit Owner.

(B) The Declarant shall serve as the director for this Class until such time as a residential condominium is established in the Project. In the event that no residential condominium is established in the Project by the time the Developer annexes all the Properties into the Project, the Residential A Lot Owners shall elect this director in the manner prescribed in Section 7.4(c)(i) of the Declaration.

(ii) The Condominium Director, except for the members of the Initial Board, shall hold office for the term of two (2) years until his successor shall be elected and qualified

or until the earlier of the Director's: (i) resignation; (ii) death or (iii) until he is removed in the manner elsewhere provided. At the first annual meeting, the term of office for the Condominium Director shall be fixed wherein he shall serve for two (2) years. Condominium Directors may be removed from office without cause by a majority of the votes of the Class III Members, as defined in Section 7.2 of the Declaration, present at a meeting of the Association called for such purpose.

(c) Non-Residential Directors.

(i) (A) There shall be three (3) Directors elected by a majority of the votes cast (on a noncumulative basis) by the Class IV and Class V Members. These Directors must be a Non-Residential Lot Owner.

(B) In the event that no Non-Residential Lots are established in the Project by the time the Developer annexes all the Properties into the Project, the Residential A Lot Owners shall elect these directors in the manner prescribed in Section 7.4(c)(i) of the Declaration.

(ii) Each Non-Residential Director, except for members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of three (3) years until his successor shall be elected and qualified or until the earlier of the Director's: (i) resignation; (ii) death or (iii) until he is removed in the manner elsewhere provided. At the first annual meeting, the terms of office for the Non-Residential Directors shall be fixed wherein one (1) Director shall serve for one (1) year, one (1) Director shall serve for two (2) years, and one (1) Director shall serve for three (3) years. Directors may be removed from office without cause by a majority of the votes of the Non-Residential Members present at a meeting of the Association called for such purpose.

(d) At-Large Director.

(i) There shall be one (1) At-Large Director elected by the majority of the votes cast (on a noncumulative basis) by the Members, as those classes are defined in Section 7.2 of the Declaration. The At-Large Director must own a Lot or Condominium Unit in Ladd Landing. The voting for the At-Large Director shall be as follows:

Class I and Class II Members - two (2) votes for each Residential
A Lot owned;
Class III Members - one (1) vote for each Condominium Unit;
Class IV and Class V Members - twenty-five (25) votes for each
Non-Residential Lot owned.

For purposes of voting for the At-Large Director, a Construction Section shall constitute one (1) Lot either residential or non-residential, as the case may be.

(ii) The At-Large Director, except for the members of the Initial Board and members of the Board elected at the first annual meeting, shall hold office for the term of five (5) years until his successor shall be elected and qualified or until the earlier of the Director's: (i) resignation; (ii) death or (iii) until he is removed in the manner elsewhere provided. At the first annual meeting, the terms of office for the At-Large Director shall be calculated as provided in Section 7.4(c)(iv)(A) of the Declaration for five (5) years. At-Large Directors may be removed from office without cause by a majority of the votes cast, calculated as provided in Subsection 7.4(iv)(A) of the Declaration, at a meeting of the Association called for such purpose.

Section 4.3. Removal. Any director may be removed from the Board with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a director, his successor shall be selected by a majority of the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.5. Action by Written Consent. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if all Directors consent to the taking of such action without a meeting by signing one or more written consents describing the action taken and indicating each Director's vote or abstention on the action. The affirmative vote of the number of Directors that would be necessary to authorize or take action at a meeting is the act of the Board of Directors without a meeting. The written consent or consents shall be included in the minutes or filed with the corporate records reflecting the action taken. Action taken by written consent is effective when the last Director signs the consent, unless the consent otherwise indicates.

Section 4.6. Meeting By Telephone. Any or all of the directors may participate in a regular or special meeting by conference telephone or by any other means of communication by which all of the Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

ARTICLE V MEETING OF DIRECTORS

Section 5.1. Regular Meetings. The annual meeting of the Board shall be held, without notice, immediately after and at the same place as the annual meeting of Members. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any three (3) directors, after not less than five (5) days notice to each director, unless otherwise provided in the Declaration.

Section 5.3. Quorum. The Directors may hold a meeting only if a quorum is present, but if less than such majority is present at a meeting, a majority of those present may adjourn the meeting from time to time without further notice, if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment does not exceed thirty (30) days in any one (1) adjournment. A majority of the Directors in office shall constitute a quorum of the Board.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area (including but not limited to the Private Roadways and Utility Easements), and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, provide for the maintenance of the Common Areas including the Roadways and Utility Easements, obtain and maintain insurance on the Common Area, maintain the corporate status of the Association, operate the Project as a Premier Resort, retain a management agent for the Project and take such other actions to maintain, repair, replace, administer and operate the Project or any part thereof and to manage the affairs of the Association to the extent deemed advisable by the Board;
- (b) suspend the voting rights of a Member during any period in which a 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 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (d) 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;
- (e) employ managers, independent contractors, or such other employees as the Directors deem necessary, and to prescribe their duties; and
- (f) delegate any of its duties hereunder to such committees, person or entities as it may elect.

Section 6.2. Duties. 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, or at any special meeting when such statement is requested in writing by twenty-five (25%) 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 the Declaration, to:
 - (i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (iii) foreclose the lien 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 the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any 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 these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association, including but not limited to Private Roadways, Utility Easements and other Common Area;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area, including but not limited to the Private Roadways, parking areas, Utility Easements, street lighting, other lighting, landscaped areas, walkways, paving, curbing, striping, signage or other roadbed maintenance, and sidewalks serving the Project to be maintained and expend such funds as are necessary to do so from the Capital Reserve Account (as that term is defined in the Declaration);
- (h) employ such engineers, architects, lawyers, accountants and contractors as are necessary to maintain the Common Area and to advise the Association;
- (i) pay all costs associated with maintaining the Association's status as a not for profit Tennessee corporation, bookkeeping, accounting, office expense and other ordinary and customary costs to operate a business;
- (j) pay the fees of the any management agent the Association may employ to manage the affairs of the Association;
- (k) perform such other actions to operate the Association as a business entity for the benefit of the Members and incur such costs as are reasonable and necessary for the establishment and operation of the Development;
- (l) promote the recreation, health, safety, and welfare of the Owners; and

- (m) expend funds and engage in any other activities which are approved by a majority of the Board.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Offices. The officers of this Association shall be a president, a secretary, and a treasurer, who shall at all times be Members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 7.2. 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 7.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 7.4. Special Appointments. The Board may elect such other officers as the affairs of this 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 7.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. 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 the officer he replaces.

Section 7.7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 7.4 of this Article.

Section 7.8. Duties. The duties of the officers are as follows:

President

(a) 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 sign all leases, mortgages, deeds, contracts and other written instruments; and shall co-sign all checks and promissory notes.

Secretary

(b) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; 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

(c) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; if requested by the Board, cause an annual audit of the Association 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, and deliver a copy of same to each of the Members.

ARTICLE VIII BOOKS AND RECORDS

The fiscal year of the Association shall correspond with the calendar year. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, as provided in the Declaration. The Declaration, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE IX 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 rate provided for in Section 8.9 of the Declaration, 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, costs, and reasonable attorney's fees of 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 nonuse of the Common Area or abandonment of his Lot.


**ARTICLE X
AMENDMENTS**

Section 10.1. These By-Laws may be amended, at a regular or special meeting of the Members, by a majority vote of the Members, as calculated pursuant to Section 7.3(c) of the Declaration.


Section 10.2. In the 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.

IN WITNESS WHEREOF, the Incorporators of the Land Owners Association of Ladd Landing has hereunto set his hand, this 6th day of ~~April~~ May, 2003.

LAND OWNERS ASSOCIATION OF LADD
LANDING



MATT C. CALDWELL, Incorporator



ROBERT L. DELANEY, Incorporator

TITLE: Managing Member

Vadd-lan\by-laws.re4
Version 4
4/2/03

BK DN22 PG 674

State of Tennessee, County of ROANE
Received for record the 21 day of
MAY 2003 at 12:05 PM. (RECH 48954)
Recorded in official records
Book DN22 Pages 821- 824
State Tax \$.00 Clerks Fee \$.00,
Recording \$ 22.00, Total \$ 22.00,
Register of Deeds MARLENE HENRY
Deputy Register SHARON BRACKETT

This instrument prepared by:
Mark E. Morrison
Grissim & Hodges
323 Union Street, Suite 400
Nashville, TN 37201

**FIRST SUPPLEMENTARY DECLARATION
TO
AMENDED AND RESTATED DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS, RESTRICTIONS AND
OWNERS' ASSOCIATION FOR LADD LANDING**

THIS FIRST SUPPLEMENTARY DECLARATION is made on this 19 day of May, 2003, by LADD LANDING, L.L.C., a Tennessee limited liability company, (hereinafter referred to as the "Developer").

WITNESSETH:

WHEREAS, the Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing was recorded on May 15, 2003, of record in Book DN22, Page 569 Register of Deeds Office for Roane County, Tennessee (the "Amended and Restated Declaration"). (All defined terms used in this First Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing, (including the preambles thereof) shall have the meanings ascribed thereto in the Amended and Restated Declaration, unless otherwise stated); and

WHEREAS, the Developer desires to subject a portion of the Properties to the Amended and Restated Declaration; and

WHEREAS, pursuant to the provisions of Article II, Section 2.2 of the Amended and Restated Declaration, the Developer has the right to subject portions of the Properties to the Amended and Restated Declaration, and the Developer now desires to exercise said rights in regard to the Additional Phases.

NOW, THEREFORE, the Developer, for itself, its successors and assigns, covenants:

1. The Additional Phases, being certain real property described on Exhibit "A", attached hereto and incorporated herein by reference, shall henceforth be subject to the Amended and Restated Declaration and the jurisdiction of the Association. The Additional Phases are hereby annexed to the Amended and Restated Declaration.

2. The Developer, for itself, its successors and assigns, hereby covenants that the Additional Phases shall hereafter be held, transferred, sold, conveyed, used, leased, occupied, mortgaged or otherwise encumbered subject to all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration,

BK DN22 PG 821

including, but not limited to, all liens and assessment provisions set forth in the Amended and Restated Declaration. All of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration as applicable to the Additional Phases shall be a permanent charge thereon, and shall run with the Additional Phases. From and after the recording of this First Supplementary Declaration, the Amended and Restated Declaration shall be extended to, and shall apply to, the Additional Phases.

IN WITNESS WHEREOF, the Developer has executed this instrument this 19 day of May, 2003.

DEVELOPER:

LADD LANDING, L.L.C., a Tennessee limited liability company

BY: 
MATT C. CALDWELL

TITLE: Managing Member

BY: 
ROBERT L. DELANEY

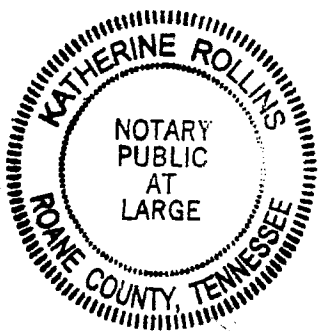
TITLE: Managing Member

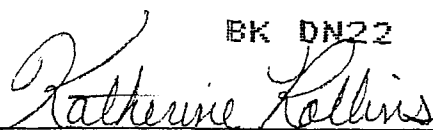
STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 20 day of May, 2003.



BK DN22 PG 822

NOTARY PUBLIC

My Commission Expires: April 11, 2006

STATE OF TENNESSEE

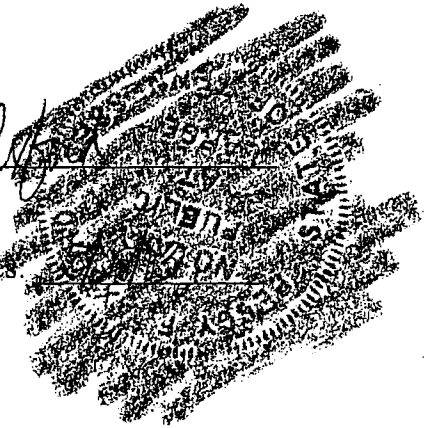
COUNTY OF DAVIDSON

Personally appeared before me, a Notary Public, Robert L. DeLaney, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 19th day of May, 2003.

Peggy J. Arthur
NOTARY PUBLIC

My Commission Expires



BK DN22 PG 823

EXHIBIT "A"

1. All of that property shown on the plat for Re-Plat of Lots 2-13, Section 2, Ladd Landing @ Kingston, Sheerwater Road, of record in Plat Cabinet C, Page 11.
2. All of that property shown on the plat for Re-Plat of Lots 2-13, Section 2, Ladd Landing @ Kingston, Sheerwater Road, of record in and Plat Cabinet C, Page 12.

BK DN22 PG 824

This instrument prepared by:
Mark E. Morrison
Grissim & Hodges
323 Union Street, Suite 400
Nashville, TN 37201

**SECOND SUPPLEMENTARY DECLARATION
TO
AMENDED AND RESTATED DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS, RESTRICTIONS AND
OWNERS' ASSOCIATION FOR LADD LANDING**

THIS SECOND SUPPLEMENTARY DECLARATION is made on this 23 day of February, 2004, by LADD LANDING, L.L.C., a Tennessee limited liability company, (hereinafter referred to as the "Developer").

W I T N E S S E T H:

WHEREAS, the Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing was recorded on May 15, 2003, of record in Book DN22, Page 569 Register of Deeds Office for Roane County, Tennessee, as amended by a First Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book DN22, Page 821, said Register's Office (collectively hereinafter referred to as the "Amended and Restated Declaration"). (All defined terms used in this Second Supplementary Declaration to Amended and Restated Declaration (including the preambles thereof) shall have the meanings ascribed thereto in the Amended and Restated Declaration, unless otherwise stated); and

WHEREAS, the Developer desires to subject a portion of the Properties to the Amended and Restated Declaration; and

WHEREAS, pursuant to the provisions of Article II, Section 2.2 of the Amended and Restated Declaration, the Developer has the right to subject portions of the Properties to the Amended and Restated Declaration, and the Developer now desires to exercise said rights in regard to the Additional Phases.

NOW, THEREFORE, the Developer, for itself, its successors and assigns, covenants:

1. The Additional Phases, being certain real property described on Exhibit "A", attached hereto and incorporated herein by reference, shall henceforth be subject to the Amended and Restated Declaration and the jurisdiction of the Association. The Additional Phases are hereby annexed to the Amended and Restated Declaration.

2. The Developer, for itself, its successors and assigns, hereby covenants that the Additional Phases shall hereafter be held, transferred, sold, conveyed, used, leased, occupied,

mortgaged or otherwise encumbered subject to all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration, including, but not limited to, all liens and assessment provisions set forth in the Amended and Restated Declaration. All of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration as applicable to the Additional Phases shall be a permanent charge thereon, and shall run with the Additional Phases. From and after the recording of this Second Supplementary Declaration, the Amended and Restated Declaration shall be extended to, and shall apply to, the Additional Phases.

IN WITNESS WHEREOF, the Developer has executed this instrument this 23 day of February, 2004.

DEVELOPER:

LADD LANDING, L.L.C., a Tennessee limited liability company

BY:

Matt C. Caldwell
MATT C. CALDWELL

TITLE: Managing Member

BY:

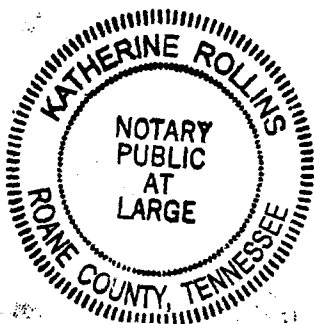
Robert L. Delaney
ROBERT L. DELANEY

TITLE: Managing Member

STATE OF TENNESSEE
COUNTY OF ROANE

Personally appeared before me, a Notary Public, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 23 day of February, 2004.



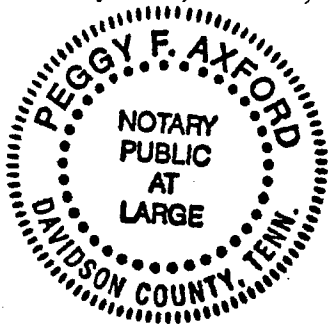
Katherine Rollins
NOTARY PUBLIC

My Commission Expires: April 11, 2006

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, a Notary Public, Robert L. DeLaney, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 20th day of February, 2004.



Peggy F. Axford
NOTARY PUBLIC

My Commission Expires: 5/30/07

BK/PG:1046/554-557

04001657

4 PGS : AL - RESTRICTIVE COVENANTS	
SHARON BATCH: 8477	
02/23/2004 - 04:05 PM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	20.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	22.00

STATE OF TENNESSEE, ROANE COUNTY

MARLENE HENRY
REGISTER OF DEEDS

EXHIBIT "A"

1. All of that property shown on the plat for Lots 160 & 162, Section 4 - Phase 2, Ladd Landing @ Kingston, The Battery, of record in and Plat Cabinet C, Page 95.

This instrument prepared by:
Mark E. Morrison
Grissim & Hodges
323 Union Street, Suite 400
Nashville, TN 37201

**THIRD SUPPLEMENTARY DECLARATION
TO
AMENDED AND RESTATED DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS, RESTRICTIONS AND
OWNERS' ASSOCIATION FOR LADD LANDING**

THIS THIRD SUPPLEMENTARY DECLARATION is made on this 8 day of March, 2004, by LADD LANDING, L.L.C., a Tennessee limited liability company, (hereinafter referred to as the "Developer") and the owners of Lot #161 in the Ladd Landing Development, DOUGLAS J. TROTTER and wife, BRENDA F. TROTTER (hereinafter referred to as the "Owners").

WITNESSETH:

WHEREAS, the Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing was recorded on May 15, 2003, of record in Book DN22, Page 569 Register of Deeds Office for Roane County, Tennessee, as amended by a First Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book DN22, Page 821, said Register's Office and as further amended by a Second Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book 1046, Page 554, said Register's Office (collectively hereinafter referred to as the "Amended and Restated Declaration"). (All defined terms used in this Third Supplementary Declaration to Amended and Restated Declaration (including the preambles thereof) shall have the meanings ascribed thereto in the Amended and Restated Declaration, unless otherwise stated); and

WHEREAS, the Developer and the Owners desire to subject all of that property shown on the plat for Lot 161, Section 4 - Phase 2, Ladd Landing @ Kingston, The Battery, of record in and Plat Cabinet C, Page 78 ("Lot 161") to the Amended and Restated Declaration; and

WHEREAS, pursuant to the provisions of Article II, Section 2.2 of the Amended and Restated Declaration, the Developer and the Owners have the right to subject portions of the Properties to the Amended and Restated Declaration, and the Developer and the Owners now desire to exercise said rights in regard to Lot #161.

NOW, THEREFORE, the Developer and the Owners, for themselves, their successors and assigns, covenant:

1. Lot #161 shall henceforth be subject to the Amended and Restated Declaration and the jurisdiction of the Association. Lot #161 is hereby annexed to the Amended and Restated Declaration.

2. The Developer and the Owners, for themselves, their successors and assigns, hereby covenant that Lot #161 shall hereafter be held, transferred, sold, conveyed, used, leased, occupied, mortgaged or otherwise encumbered subject to all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration, including, but not limited to, all liens and assessment provisions set forth in the Amended and Restated Declaration. All of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration as applicable to Lot #161 shall be a permanent charge thereon, and shall run with Lot #161. From and after the recording of this Third Supplementary Declaration, the Amended and Restated Declaration shall be extended to, and shall apply to, Lot #161.

IN WITNESS WHEREOF, the Developer and the Owners have executed this instrument this 8 day of March, 2004.

DEVELOPER:

LADD LANDING, L.L.C., a Tennessee limited liability company

BY:

Matt C. Caldwell
MATT C. CALDWELL

TITLE: Managing Member

BY:

Robert L. Delaney
ROBERT L. DELANEY

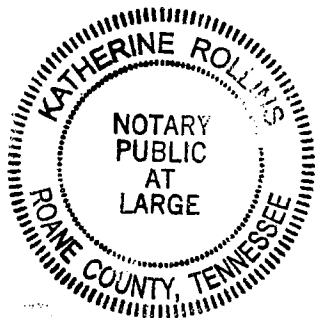
TITLE: Managing Member

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 8 day of March, 2004.



Katherine Rollins
NOTARY PUBLIC

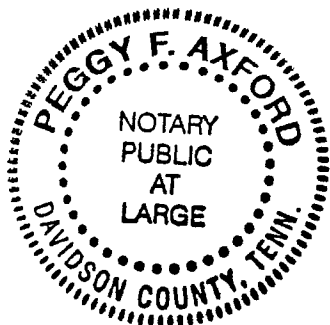
My Commission Expires: April 11, 2006

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, a Notary Public, Robert L. DeLaney, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 26th day of February, 2004.



Peggy F. Axford
NOTARY PUBLIC

My Commission Expires: 5/30/07

BK/PG:1048/861-864

04002161

4 PGS : AL - RESTRICTIVE COVENANTS
SEARCH BATCH: 8957
03/08/2004 - 03:10 PM
VALUE 0.00
MORTGAGE TAX 0.00
TRANSFER TAX 0.00
RECORDING FEE 20.00
DP FEE 2.00
REGISTER'S FEE 0.00
TOTAL AMOUNT 22.00

STATE OF TENNESSEE, ROANE COUNTY

MARLENE HENRY
REGISTER OF DEEDS

OWNERS OF LOT #161:

Douglas J. Trotter
DOUGLAS J. TROTTER

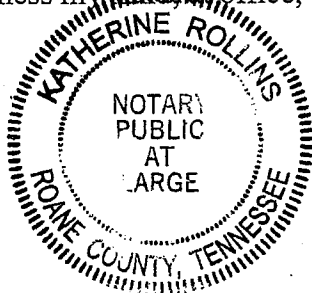
Brenda F. Trotter
BRENDA F. TROTTER

STATE OF TENNESSEE

COUNTY OF Roane

Personally appeared before me, a Notary Public, Douglas J. Trotter, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 8 day of March, 2004.



Katherine Rollins
NOTARY PUBLIC

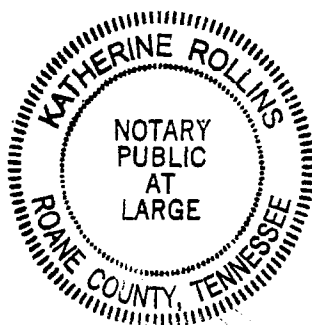
My Commission Expires: April 11, 2006

STATE OF TENNESSEE

COUNTY OF Roane

Personally appeared before me, a Notary Public, Brenda F. Trotter, with whom I am personally acquainted, and who acknowledged that she executed the within instrument for the purposes therein contained.

Witness my hand, at office, this 8 day of March, 2004.



Katherine Rollins
NOTARY PUBLIC

My Commission Expires: April 11, 2006

This instrument prepared by:
Mark E. Morrison
Grissim & Hodges
323 Union Street, Suite 400
Nashville, TN 37201

**FOURTH SUPPLEMENTARY DECLARATION
TO
AMENDED AND RESTATED DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS, RESTRICTIONS AND
OWNERS' ASSOCIATION FOR LADD LANDING**

THIS FOURTH SUPPLEMENTARY DECLARATION is made on this 14 day of September, 2004, by LADD LANDING, L.L.C., a Tennessee limited liability company, (hereinafter referred to as the "Developer").

W I T N E S S E T H:

WHEREAS, the Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing was recorded on May 15, 2003, of record in Book DN22, Page 569, Register of Deeds Office for Roane County, Tennessee; as amended by a First Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book DN22, Page 821, as amended by a Second Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book 1046, Page 554; and as further by a Third Supplementary Declaration to Amended and Restated Declaration of Easements, Covenants, Conditions, Restrictions and Owners' Association for Ladd Landing of record in Book 1048, Page 861, said Register's Office (collectively hereinafter referred to as the "Amended and Restated Declaration"). (All defined terms used in this Fourth Supplementary Declaration to Amended and Restated Declaration (including the preambles thereof) shall have the meanings ascribed thereto in the Amended and Restated Declaration, unless otherwise stated); and

WHEREAS, the Developer desires to subject a portion of the Properties to the Amended and Restated Declaration; and

WHEREAS, pursuant to the provisions of Article II, Section 2.2 of the Amended and Restated Declaration, the Developer has the right to subject portions of the Properties to the Amended and Restated Declaration, and the Developer now desires to exercise said rights in regard to the Additional Phases.

NOW, THEREFORE, the Developer, for itself, its successors and assigns, covenants:

1. The Additional Phases, being certain real property described on Exhibit "A", attached hereto and incorporated herein by reference, shall henceforth be subject to the Amended

and Restated Declaration and the jurisdiction of the Association. The Additional Phases are hereby annexed to the Amended and Restated Declaration.


2. The Developer, for itself, its successors and assigns, hereby covenants that the Additional Phases shall hereafter be held, transferred, sold, conveyed, used, leased, occupied, mortgaged or otherwise encumbered subject to all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration, including, but not limited to, all liens and assessment provisions set forth in the Amended and Restated Declaration. All of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in the Amended and Restated Declaration as applicable to the Additional Phases shall be a permanent charge thereon, and shall run with the Additional Phases. From and after the recording of this Second Supplementary Declaration, the Amended and Restated Declaration shall be extended to, and shall apply to, the Additional Phases.

IN WITNESS WHEREOF, the Developer has executed this instrument this 14 day of September, 2004.

DEVELOPER:

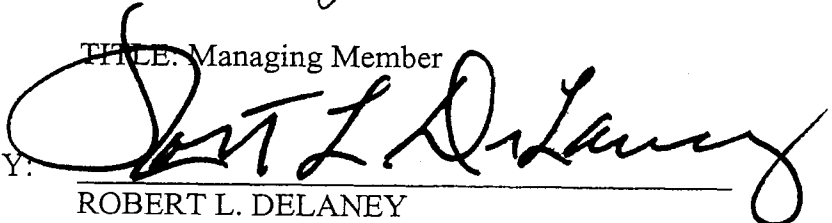
LADD LANDING, L.L.C., a Tennessee limited liability company

BY:


MATT C. CALDWELL

TITLE: Managing Member

BY:


ROBERT L. DELANEY

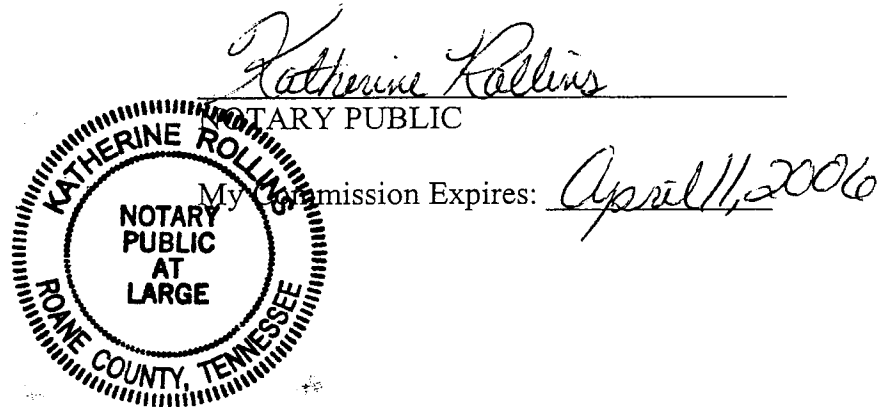
TITLE: Managing Member

STATE OF TENNESSEE

COUNTY OF ROANE

Personally appeared before me, a Notary Public, Matt C. Caldwell, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 14 day of September, 2004.

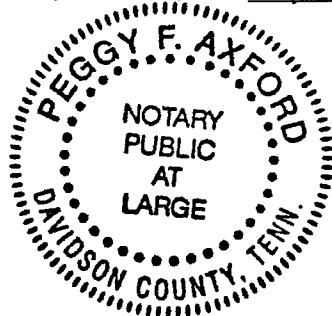


STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, a Notary Public, Robert L. DeLaney, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained and who further acknowledged that he is a managing partner of Ladd Landing, L.L.C., a Tennessee limited liability company, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand, at office, this 9th day of September, 2004.



Peggy F. Axford
NOTARY PUBLIC
My Commission Expires: 5/30/07

BK/PG: 1078/795-798

04008765

4 PGS : AL - RESTRICTIVE COVENANTS	
SHARON BATCH: 14703	
09/16/2004 - 03:55 PM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	20.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	22.00

STATE OF TENNESSEE, ROANE COUNTY

MARLENE HENRY
REGISTER OF DEEDS

EXHIBIT "A"

1. All of that property shown on the plat for Lot 163, Section 4 - Phase 2, Ladd Landing @ Kingston, The Battery, of record in and Plat Cabinet C, Page 166.

