

WHEREAS, Trickett & Crowe Property Development, LLC is the owner of the real property (hereinafter called "Property") described in the instrument recorded in Deed Book 183 Page 061, Plat Cabinet 5, Slide 189, of the Public Records of Johnson County, Tennessee, and is desirous of subjecting the Property as hereafter determined by Declarant, or Association upon its activation to the protective covenants, conditions and restrictions hereinafter set forth, each and all of which is and are for the benefit of the Property, for the benefit of the parcels or Lots located thereon, whether now already or hereafter subdivided and platted (hereinafter called the "Lots"), and for the benefit of each owner of the Lots which are now already or may hereafter be subdivided and platted within the Property (hereinafter called the "Owners") and shall apply to and bind the owners thereof, their heirs, successors and assigns, and;

WHEREAS, the Property is subjected to these Covenants in order to ensure the best use and the most appropriate development and improvement of the Property and the Lots located therein; to protect the Owners thereof against such improper use of surrounding Lots as will depreciate the value of their Property; to preserve so far as practicable, the natural beauty of the Property; to guard against the erection thereon of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to obtain harmonious color schemes; to encourage and ensure the highest and best development of the Property; to encourage and secure the building of attractive homes thereon, with appropriate locations thereof on the Property; to prevent haphazard and inharmonious improvement of the Property; to secure and maintain an aesthetically pleasing quality of development and improvement of the Property and thereby to enhance the values of the Property.

NOW, THEREFORE, Trickett & Crowe Property Development, LLC, for itself, its successors and assigns and for its future grantees, their heirs, successors and assigns does hereby declare that the Property is and shall be held, transferred, sold, devised, assigned, conveyed, given, purchased, leased, occupied, possessed, mortgaged, encumbered and used subject to these Covenants. These Covenants, the benefits of these Covenants and the affirmative and negative burdens of these Covenants, whether pertaining to items, benefits and obligations

presently existing or to be created or executed in the future, do and shall in equity and at law, touch and concern, benefit and run with the land and any estates in the land herein referred to as the Property and these Covenants are intended to be Covenants and servitudes burdening and benefitting all persons now or hereafter deriving a real property estate in the Property, whether by assignment, succession or inheritance or other method of conveyance.

ARTICLE I. DEFINITIONS.

The following words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

- A. "Property shall mean and refer to all such existing properties as are subject to this Declaration, which Declaration shall be referenced in the Deed and identified therein by the Book and Page number recorded at the Register of Deeds, Johnson County, Tennessee.
- B. "Lot" shall mean and refer to any Lot or other parcel with any and all improvements thereon, on which a residential structure could be constructed, whether or not one has been constructed.
- C. "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 part of the Property, including contract sellers, "but not contract purchasers" and Trickett & Crowe Property Development, LLC.
- D. "Period of Declarant Control" shall mean and refer to the period of time commencing on the effective date of this Declaration and continuing up to, through and including the date by which seventy-five percent (75%) of the lots within The Ridge at Watauga Lake Subdivision have been sold and conveyed.
- E. "Association" and/or "POA" shall mean and refer to The Ridge at Watauga Lake Property Owner's Association, Inc., a non-profit Tennessee Corporation which will be activated upon the end of the Period of Declarant Control.

ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION.

The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is an approximate 124 acre tract of land located in Johnson County, Tennessee, said tract being more particularly described in the Plat recorded in Plat Cabinet 5, Slide 189, a copy of which is attached for reference as Exhibit "A."

ARTICLE III. COVENANTS FOR MAINTENANCE ASSESSMENTS.

Section 1. Creation of the Lien for Assessments. The Declarant, for each Lot owned by it within The Ridge at Watauga Lake Subdivision hereby covenants, and each owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Declarant, or Association upon its activation any annual dues, and any special assessments for the purposes set forth below. Such dues and assessments are to be fixed, established and collected from time to time as hereinafter provided. All such dues and assessments, together with interest at the rate of eighteen percent (18%) and costs of collection thereof (including reasonable attorneys' fees), shall be a charge on the land and shall be a continuing lien upon the Lot(s) against which each such assessment is made. No Owner may waive or otherwise escape liability for the dues or assessments provided for herein by non-use of the Common Area or the Lot(s) or by abandonment.

Section 2. Purpose of Dues and Assessments. The funds arising from said dues, or special assessments, may be used for, but are not limited to, any or all of the following purposes:

- A. To maintain, restore and upgrade as necessary the entrance area to said subdivision, including the roadway, the sign, the landscaping and all structures associated with said entrance;
- B. To maintain, restore and upgrade as necessary all roads contained within said subdivision, the specific location of said roads being more particularly described in the plat recorded in Plat Cabinet 5, Page 189, Johnson County, Tennessee Public Registry, references to which are hereby made for a more complete and detailed description;
- C. Collection and disposing of garbage, rubbish and similar materials;
- D. Operating expenses of the Association, upon its activation, including the fees of professional advisors and consultants including but not limited to, attorneys, accountants and other persons with the necessary expertise to assist the Association in the performance of its duties;
- E. Insurance premiums;
- F. Property taxes and special governmental assessments paid by the Declarant, or Association upon its activation, including, but not limited to, tap on fees for water and sewer services;
- G. The costs of enforcing these restrictions.

Section 3. Maximum Annual Dues. Except as hereinafter provided, the annual dues, excluding any special assessment for capital improvements or major repair, shall be \$900.00. In no event shall the dues be increased more than ten percent (10%) per year and not to exceed twenty percent (20%) in any five (5) year period.

Section 4. Uniform Rate of Assessment. All dues and special assessments shall be at a uniform rate for each Lot in The Ridge at Watauga Lake Subdivision.

Section 5. Date of Commencement of Annual Dues. The dues for which provision is herein made shall commence on the date or dates (which shall be the first day of a month) fixed by the Declarant, or Association upon its activation or the Board of Directors upon the activation of the POA. The due date of any assessment shall be fixed in the resolution authorizing such assessments, and any such assessment shall be payable in advance in monthly, quarterly, semi-annual or annual installments, as determined by the Board.

Section 6. Duties of the Declarant. The Declarant, or Association upon its activation shall fix the date of commencement, and the amount of the assessment against each Lot, and other portions of the Property, for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Declarant, or Association upon its activation and shall be open to inspection by any Owner. Written notice of the assessment shall be sent to every Owner subject thereto not later than seven (7) days after fixing the date of commencement thereof.

Section 7. Effect of Non-Payment of Assessments, Dues and Other Charges. The following actions may be taken by the Declarant until activation of the POA as herein provided and thereafter by the POA in the event an Owner fails to make payment of any assessments set forth above or other charges and obligations when due:

- A. Interest on Late Payment. An interest charge at an annual percentage rate of eighteen percent (18%) will be charged on all late payment of assessments.
- B. Legal Action. If the assessment or charge is not paid within thirty (30) days after the past due date, the Declarant, or Association upon its activation may bring an action at law or in equity against the Owner, and there shall be added to the amount of such assessment the cost of

preparing and filing the legal documents in such action, and in the event a judgment order against the Owner is obtained, such judgment shall include interest on the assessment as provided in (a) above, reasonable attorneys' fees and expenses to be fixed by the court and the costs of the action.

- C. Execution on Lien. Subject to Article III Section 8 relating to subordination of the lien to mortgages and other encumbrances, the Declarant, or Association upon its activation may execute its lien upon the subject property according to procedures prescribed by the laws of Tennessee.
- D. Other Rights. In addition to the above, the Declarant, or Association upon its activation shall reserve the rights it may have under and according to applicable law to attach and execute against any personal assets of an Owner in order to receive assessments due.

Section 8. Subordination to Lien of Mortgages. The lien of the assessments for which provision is herein made, as well as in any other article of this Declaration, shall be subordinate to the lien of any first mortgage holders which is perfected by recording prior to the recording of a claim of lien for any such unpaid assessments by the Declarant, or Association upon its activation. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Lot by deed in lieu of foreclosure of such Lot or pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure of such mortgage; provided, however, any such Lot shall be liable, following such sale, for a pro rata share of any unpaid assessments against such Lot accruing prior to such sale, in common with all other Property. The written opinion of the Declarant, or Association upon its activation that the lien is subordinate to a mortgage shall be dispositive of any question of subordination.

Section 9. Exempt Property. The Declarant, or Association upon its activation shall have the right to exempt any of the Property subject to this Declaration from the assessments, charges and liens created herein provided that such part of the Property exempted is used (and as long as it is used) for any of the following purposes:

- A. Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- B. Any of the Property exempted from ad valorem taxation by the laws of the State of Tennessee, to the extent agreed to by the Declarant, or Association upon its activation.

Notwithstanding any provisions herein, no land or improvements devoted to residential dwelling or related use shall be exempt from said assessments, charges or liens.

ARTICLE IV. EXTERIOR MAINTENANCE ASSESSMENT.

Section 1. Exterior Maintenance. Declarant, or Association upon its activation may provide, when necessary in the opinion of Declarant, or Association upon its activation, to preserve the beauty, quality and value of the neighborhood, maintenance upon any Lot including but not limited to paint, repair, roof repair and replacement, gutters, down spouts, exterior building surfaces and yard cleanup and/or maintenance.

Section 2. Assessment of Costs. The cost of such maintenance shall be assessed against the Lot(s) upon which such maintenance is performed or, in the opinion of the Declarant, or Association upon its activation, benefitting from same. The assessment shall be apportioned among the Lots involved in the manner determined to be appropriate by Declarant, or Association upon its activation. If no allocation is made, the assessment shall be uniformly assessed against all of the Lots in the affected area. Any exterior maintenance assessment shall be a lien

on the Lot(s), shall become due and payable in all respects, together with interest and attorneys fees for the cost of collection.

Section 3. Access. For the purpose of performing the maintenance authorized by this Article, Declarant, or Association upon its activation, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, including by regular mail, email, fax or telephone communication, to enter upon any Lot(s) or the exterior of any improvements thereon at reasonable hours on any day except Sunday. In the case of emergency repairs, access will be permitted at any time with only such notice as, under the circumstances, is practically affordable.

ARTICLE V. ARCHITECTURAL CONTROL.

Section 1. Necessity of Architectural Review and Approval. No landscaping, improvement of structure of any kind, including without limitation any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, driveways, decorative building, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the submission of exterior, roofing, elevation, color, siting, driveway, exterior material and landscaping plans of the same shall have been submitted to, and approved in writing by the Declarant, or Association upon its activation. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography. It shall be the burden of each Owner to supply plans and specifications in sufficient detail for Declarant, or Association upon its activation to adequately review after submitting same. No plan or specification shall be deemed approved unless a written approval is granted by Declarant, or Association upon its activation to the Owner. Any change or modification to approved plans shall not be deemed approved unless a submittal and written approval thereof is granted. If no written response by Declarant, or Association upon its activation is submitted within 30 days upon receipt of the plans and specifications, then said plans and specifications shall be considered rejected.

Section 2. Architectural Review Board. The architectural review and control functions of the Declarant, or Association upon its activation shall be administered and performed by a committee formed and appointed by the Declarant, or Association upon its activation and known as the Architectural Review Board (ARB). The ARB shall be comprised of three (3) Members, at least two (2) of which shall be property owners of The Ridge at Watauga Lake Subdivision.

Section 3. Powers and Duties of the ARB. The ARB shall have the following powers and duties:

- A. To require submission to the ARB of one (1) set of all plans and specifications, and a complete color palette, for any improvement or structure of any kind, including without limitation, any building, fence, wall, swimming pool, tennis court, enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement, the construction or placement of which is proposed upon any Lot in The Ridge at Watauga Lake Subdivision, signed by the Owner of the Lot and contract vendor, if any. The ARB may also require submission of samples of building materials proposed for use on any Lot, and may require such additional information as reasonably may be necessary for the Board to completely evaluate the proposed structure or improvement in accordance with this Declaration and the Architectural Planning Criteria, attached hereto as **Exhibit "B."**
- B. Rejection by the ARB of the plans and specifications may be based upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the ARB shall seem sufficient.
- C. In the event the ARB rejects such plans and specifications as submitted, the ARB shall so inform the Owner in writing, to the applicant's address indicated on the submittal, stating with

reasonable detail the reason(s) for disapproval and the ARB's recommendations to obtain ARB approval. In the event that the applicant makes all the changes requested by the ARB within ninety (90) days after approval is denied and resubmits its application in conformity with the requirements of this Declaration, the plans and specifications shall be approved by the ARB within fifteen (15) business days after the resubmission.

- D. Upon the ARB's written approval, construction shall be started and prosecuted to completion diligently, continuously, promptly and in substantial conformity with the approved plans and specifications. The ARB shall be entitled to stop any construction in violation of these restrictions, and any improvement made without application having first been made and approval obtained as provided above, shall be deemed to be in violation of this Declaration and the ARB may require that the unapproved improvement be removed and the Lot restored to its prior condition at the Owner's expense.
- E. The ARB's review of plans and specifications shall be conducted for the purpose of their architectural control responsibilities hereunder. Such approval shall not constitute any representation, warranty or certification as to the correctness, completeness, accuracy or feasibility of such documents or any work, items or systems shown thereon or contemplated thereby or of their compliance with governmental restrictions or requirements. Any damage to roads, paths, ditches, utility lines, irrigation facilities, landscaping, natural areas or vegetation, curbs, pathways or other improvements on or serving the Property caused by the Owner, Owner's tenants, Contractor or Subcontractor or its or their agents, employees or invitees shall, at the request of the Declarant, or Association upon its activation be repaired (in conformity with such requirements as the Declarant, or Association upon its activation may impose) by such Owner or the Declarant, or Association upon its activation may itself make any necessary or desirable repairs and all costs incurred in the connection therewith shall be a charge against the responsible Owner's Lot.
- F. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the ARB within thirty (30) days of such decision. The ultimate determination of the ARB shall be final.

ARTICLE VI. EFFECT OF COVENANTS AND ENFORCEMENT.

Section 1. Effect of Provisions of These Covenants. Each Owner, his heirs, successors and assigns, and all others who take an interest in land or realty within the Property do promise, covenant and undertake to comply with each provision of these Covenants, which provisions:

- A. Shall be considered incorporated in each deed or other instrument by which any right, title or interest in any real property within the Property is granted, devised or conveyed.
- B. Shall, by virtue of acceptance of any right, title or interest in any real property within the Property by an Owner (i) be deemed accepted, ratified, adopted and declared as a personal Covenant of the Owner; and (ii) be deemed a personal Covenant to, with and for the benefit of Declarant, or Association upon its activation and any Owner;
- C. Shall be deemed a real Covenant by Declarant, or Association upon its activation for itself, its successors and assigns and also an equitable servitude, running in each case, as both burdens and benefits with and upon the title to each tract of real property within the Property and, as a real Covenant and also as an equitable servitude, shall be deemed a Covenant and servitude for the benefit of any real property now or hereafter owned by Declarant, or Association upon its

activation within the Property and for the benefit of any and all other real property within the Property; and

- D. Shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening and encumbering the title to each parcel of real property within the Property which lien, with respect to any respective unit of real property within the Property, shall be deemed a lien in favor of the Declarant, or Association upon its activation.

Section 2. Who May Enforce. The benefits and burdens of these Covenants run with the land and in equity and Declarant, or Association upon its activation, its successors and assigns and any Owner, his heirs, representatives, administrators, successors and assigns with respect to the Property, shall have the right to proceed against a party to compel compliance with the terms hereof or to prevent the violation or breach in any event.

Section 3. Enforcement Remedies. In the event that any residential dwelling or other structure is erected, constructed, reconstructed, altered, repaired, converted or maintained or any land use is in violation of these Covenants, Declarant, or Association upon its activation, or any Owner may institute appropriate legal proceedings or actions, at law or in equity: (a) to prevent such unlawful erection, construction, reconstruction, alteration, repair, conversion, maintenance or use; (b) to restrain, correct or abate such violation or breach of these Covenants; (c) to prevent the occupancy of said residential dwelling, structure or land; (d) to prevent any act, conduct, business or use which is in breach of these Covenants; or (e) to compel any affirmative act which, pursuant to these Covenants shall be performed. Violators shall be personally obligated for reimbursement in full for all direct and indirect costs or damages resulting from the violation or breach, including but not limited to legal fees and expenses incurred in pursuing compliance with this Declaration, and such obligation shall also constitute a lien upon the property of the violating Owner.

ARTICLE VII. GENERAL LAND USE RESTRICTIONS AND OBLIGATIONS

Section 1. Residential Use. The Property subject to these Covenants and Restrictions may be used only for single family residential living units and for no other purpose. No business or commercial building may be erected on any Lot and no business may be conducted on any part thereof other than what is permitted in Section 2 below. No building or other improvements shall be erected upon any Lot without Declarant, or Association upon its activation's prior approval thereof as elsewhere herein provided. No Lot shall be divided, subdivided or reduced in size unless each divided or subdivided portion thereof is consolidated with one or more contiguous Lots under one ownership; provided that, if Declarant, or Association upon its activation shall first have specifically approved the same, a Lot may be subdivided for the purpose of increasing the size of only one contiguous Lot so long as the portion of the divided Lot which remains unconsolidated as a single Lot shall be total area at least ninety-five percent (95%) as large as the then smallest Lot (in area) in the Property. In the event of the subdivision and consolidation of any Lot(s) as aforesaid, the obligation for Declarant, or Association upon its activation's expenses attributable to the subdivided Lot(s) shall be and become proportionately attributable and chargeable to the contiguous Lot(s), and the Owner(s) thereof. Further, any limitations on residence size imposed by law shall apply to the consolidated Lot(s) as if the same were a single Lot. In the event that one or more Lots are developed as a unit, the provisions of these Covenants and Restrictions shall apply thereto as a single Lot.

Section 2. Temporary Structures. No structure of a temporary character, trailer, mobile home, basement, tent, shack, garage, barn or other out building shall be used on any Lot at any time as a residence either temporarily or permanently, except as permitted herein. A construction trailer may be parked during the construction phase only with the express written consent of Declarant, or Association upon its activation on certain designated lots; it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the lot after completion of construction.

Section 3. Antennas and Power Lines. All antennae shall be erected in such a manner so as to conform to the theme protecting the privacy of the individual Lots and maintaining the natural beauty of the environment. No television or radio receiver, transmitter antennas or satellite dishes which are visible from any Common Area, street or adjoining Lot will be permitted without written approval from Declarant, or Association upon its activation.

Section 4. Boats and Motor Vehicles. No boats, recreational vehicles, all-terrain vehicles, motor homes, travel trailers or other motor vehicles, except four wheel passenger automobiles or trucks less than 7.0 feet in height, shall be stored upon any Lot for any duration unless garaged. The operation of all-terrain vehicles are not permitted under any circumstances.

Section 5. Prohibition of Non Licensed Vehicles. Only licensed vehicles are permitted to travel upon the roadways within the property. Motorcycles and golf carts may be driven only between the homes where they are garaged and the entrance gate. When otherwise not in use, motorcycles and golf carts must be garaged. No vehicle of any kind may be driven off the roads within the property.

Section 6. Utilities. All lines, cables, tanks and canisters, including, but not limited to, electric, telephone, cable TV, propane or gas tanks and satellite reception systems shall be installed underground.

Section 7. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the neighborhood. No substance, thing or material which will emit foul or obnoxious odors, or which will cause any excessive noise, nuisance or annoyance that will unduly disturb the peace, quiet, comfort or serenity of the occupants of any of the neighboring Lots shall be permitted to occur or continue on any Lot. No discharge of firearms, air guns, or BB guns shall be allowed on any Lot. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. It shall be the responsibility of each Lot owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or grounds on such Lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area. No noxious or offensive activity shall be conducted or permitted upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. Declarant, or Association upon its activation reserves the right to enter upon any Lot to remove or otherwise cause to cease to exist, any of the aforementioned conditions or activities upon written notice to the owners of said Lot. Should said owner fail to rectify the conditions, said action shall be done at the expense of the owner of said Lot. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to Declarant, or Association upon its activation, which shall render a decision in writing, which decision shall be the final resolution of such dispute or question.

Section 8. Signs. No sign of any kind shall be displayed to the public view on any Lot except a sign designating the residential address and Owner's name and approved by Declarant, or Association upon its activation.

Section 9. Living Area. Each detached single family residence construction upon a Lot in the property shall contain a minimum of one thousand eight hundred (1,800) square feet of total heated living area, excluding basement. Living area as referred to in this section excludes garages, decks and patios.

Section 10. Lighting. No lighting shall be permitted which alters the residential character of the Property or is deemed a nuisance unless approved by Declarant, or Association upon its activation in conformance with Article VII herein.

Section 11. Storage and Collection of Solid Wastes.

- A. No Lot shall be used or maintained as a dumping ground for rubbish, trash or other waste. All Lots shall be maintained during construction in a neat and nuisance-free condition.

- B. The owner of every premises shall be responsible for providing adequate solid waste receptacles to store the solid wastes generated by activities taking place on those premises. Every premises shall be served by at least two (2) of the receptacles and the Declarant, or Association upon its activation may require the owner to provide more than two if necessary. The receptacles required by this Section shall be made of galvanized metal, plastic, rubber or other material resistant to rust, corrosion or rapid deterioration. Each receptacle shall be water tight. Each receptacle shall have two handles and shall be covered with a tight fitting cover at all times. All garbage, refuse and other solid wastes must be placed in a receptacle described herein and covered with a tight fitting lid which contains a locking mechanism. All receptacles shall be located in an enclosed area. An enclosed area is defined as a rack or box with a wooden bottom and sides that is of sufficient size and strength so as to prevent the wind, animals or fowl from spilling garbage from the receptacles. The receptacles shall be screened by shrubbery or other means so as not to be visible from the road.

Section 12. Construction. During the continuance of construction, the Lot Owner shall require the contractors to maintain the site of the building in a reasonably clean and uncluttered condition and construction may not commence before 7:00 a.m. or be continued after 7:00 p.m., nor may construction activities take place on any Sunday, if located within three hundred (300) feet of an occupied residential dwelling. Declarant, or Association upon its activation may waive the time and day restrictions if Declarant, or Association upon its activation deems no undue nuisance is caused to any other Lot Owner in the area. All structures shall be completed within twelve (12) months from the commencement of construction. A structure shall be deemed completed when the owner has obtained a Certificate of Occupancy from the appropriate governmental authorities. Full compliance with the Construction Requirements, attached as **Exhibit "C,"** is mandatory.

Section 13. Setbacks. No portion of any house, appurtenance or outbuilding shall be located less than twenty (20) feet from the road right-of-way, less than fifteen (15) feet from side lot lines and twenty (20) feet from the rear lot line unless a written variance is obtained from Declarant, or Association upon its activation prior to construction. In any event, all setbacks shall comply with all town and county ordinances and siting requirements as described in Section 18.

Section 14. Right-of-Way. At no time may a Lot owner dedicate, grant or sell a right-of-way across the boundary or Lot lines of the said Property without the written consent of Declarant, or Association upon its activation.

Section 15. Animals. No animals, livestock, birds or fowl of any kind, other than a reasonable number of household pets, shall be maintained on any Lot. At no time is it permissible to maintain said animals, and no pets shall be allowed to remain on the property, if such become noxious, offensive or a nuisance to the neighborhood. Such household pets shall be kept confined to the Lot. When not confined to the Lot, all pets must be properly controlled by the owner so as to avoid becoming a nuisance or a danger to other Lot owners.

Section 16. Willful Destruction of Fish and Wildlife. No hunting or shooting of any firearms shall be allowed within the Property.

Section 17. Tree and Bush Removal. No large trees measuring six (6) inches or more in diameter at ground level may be removed without the written approval of the Declarant, or Association upon its activation's Architectural Review Board, unless located within ten (10) feet of the main dwelling or accessory building or within ten (10) feet of the approved site for such building. Unless Declarant, or Association upon its activation's Architectural Review Board gives prior written approval, no trees shall be removed from any Lot until the owner shall be ready to begin construction following submission of building plans and approval of the same. The Declarant, or Association upon its activation reserves the right to top or remove any tree or other growth upon any lot to maintain or enhance any view from any lot within the Property subject to Town and County ordinances.

Section 18. Siting. To assure that homes, buildings and other structures, if any, will be located so that desirable views and privacy will be available and maintained to the owners of Lots within the Property, and that the buildings will be located with regard to the topography of each Lot, taking into consideration the location of large trees, buildings previously built or approved pursuant to these Covenants for adjacent Lots and other aesthetic and environmental considerations, Declarant, or Association upon its activation shall have the right to control and to decide the precise site and location of any buildings or other structures and driveway access within the Property. The location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site.

Section 19. Drainage. All drainage areas in the development are designed for the benefit of all Lot owners to accommodate the run-off of surface water, and no owner may alter or change any drainage area without the written permission of Declarant, or Association upon its activation. Declarant, or Association upon its activation may establish reasonable regulations and restrictions pertaining to drainage and siltation, originating on construction sites and parking lots, porosity of pavement materials used on roadways and parking lots, and similar provisions relating to hydrological factors on the Property.

Section 20. Repairs. Repair of roads, bridges and other improvements made necessary by damage created by construction equipment or resulting from events other than normal wear and tear shall become the immediate and sole obligation of the Lot owner responsible for such damage.

Section 21. Duty to Insure.

- A. Owners. Each Owner shall insure his buildings for their replacement value against loss by fire or other hazards, and, if Declarant, or Association upon its activation has an outstanding deed of trust against said property, then it shall be named also as "loss payee" on insurance policy.
- B. Repair or Replacement of Damaged or Destroyed Property. In the event of damage or destruction by fire or other casualty to any building, the owner of such building shall within thirty (30) days of the receipt of the insurance proceeds paid pursuant to an insurance policy covering such building, but in no event later than six (6) months from the date of such damage or destruction, either (i) commence reconstruction of the damaged or destroyed building; or (ii) clear the Lot upon which the damaged or destroyed building is located of all debris and reseed the affected area. In the event (i) restoration of the building is commenced but is terminated before the completion of the building and such termination continues for a period of at least ninety (90) days; or (ii) the Lot is not cleared of debris within thirty (30) days after commencement of clearance of the Lot; or (iii) restoration or commencement of clearance of the Lot does not occur within said six (6) month period, Declarant, or Association upon its activation shall have the right to clear the Lot of debris and reseed the Lot. The cost of such repairs shall be an expense attributable to the Lot collectible in the same manner as described in Article III.

In the event a Lot shall be cleared and reseeded, then it shall be the obligation of the Owner of such Lot to continue to maintain the Lot.

Section 22. Duty of Property Owners to Inform Declarant, or Association upon its activation of Current Address. Each Owner shall have the affirmative duty and obligation to inform Declarant, or Association upon its activation in writing of any change of ownership of the Property, the Owner's current address and of any known failure of the Owner to receive any information from the Declarant, or Association upon its activation at the correct address of the Owner. No Owner may be excused from his obligations established in these Covenants if the Declarant, or Association upon its activation mailed notice of such obligation, assessment, bill statement or other notice to the last address of said Owner which is recorded on the books of Declarant, or Association upon its activation and for which Declarant, or Association upon

its activation has not received the Owner's current address or notice of change of ownership from the Owner.

Section 23. Timeshares. No time-share or fractional ownership of any dwelling shall be permitted. Time-share ownership shall generally not include ownership by a group of individuals as tenants in common.

Section 24. Rentals. Although rentals are not prohibited any agreement entered into by an Owner to rent his/her/its property to a non-member must first be approved by the Declarant, or Association upon its activation.

ARTICLE VIII. GENERAL PROVISIONS.

Section 1. Duration and Remedies for Violation. The Covenants and Restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant, or Association upon its activation or the owner of any Property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said Covenants and Restrictions shall automatically be extended for successive periods of ten (10) years unless an instrument executed by Declarant, or Association upon its activation or its successors and assigns upon has been recorded, agreeing to change or modify said Covenants and Restrictions in whole or in part. Violation or breach of any condition, covenant or restriction herein contained shall give Declarant, or Association upon its activation and/or Owner(s) in addition to all other remedies, the right to proceed at law or in equity to compel a compliance with the terms of said conditions, covenants or restrictions, and to prevent the violation or breach of any of them, and the expense of such litigation shall be borne by the then Owner(s) of the subject Property, provided such proceeding results in a finding that such Owner was in violation of said Covenants or Restrictions. Expenses of litigation shall include reasonable attorneys' fees incurred by Declarant, or Association upon its activation or the Owners in seeking such enforcement, and all other remedies provided by any Tennessee General Statutes or judicial decree.

Section 2. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the person who appears as Owner on either the records of Declarant, or Association upon its activation or the Public Records of Johnson County, Tennessee, at the time of such mailing.

Section 3. Severability. Should any Covenant or Restriction herein contained, or any Article, Section, paragraph, sentence, clause, phrase or term in this Declaration be declared to be void, invalid, illegal or unenforceable for any reason by the adjudication of the highest court or other tribunal which considers such matter and has jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no manner affect the other provisions hereof which are hereby declared to be severable.

Section 4. No Waiver. The failure to enforce any right, reservation, restriction or condition contained herein, however long continued, shall not be deemed a waiver of the rights to do so hereafter, as to the same breach or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. The invalidation by any Court of any restrictions contained in this Declaration of Covenants and Restrictions shall in no manner affect any of the other restrictions, but they shall remain in full force and effect.

Section 5. Interpretation of Construction. In all cases, the provision of this Declaration shall be given that reasonable interpretation of construction which will best effect consummation of the general plan of land use restrictions and affirmative obligations of the Property, which will carry out the intent of the Declarant, or Association upon its activation as expressed in the recitals of these Covenants, and which will preserve the Property as a situs for a high amenity, attractive, well maintained, privately governed residential community.

It is Declarant, or Association upon its activation's intent, and all Owners who take subject to these Covenants, to covenant and agree and are thereby estopped to deny, that any function of Declarant, or

Association upon its activation and any other covenant, condition, restriction or obligation within these Covenants is intended to promote the use and enjoyment of the Property, is intended to foster the creation, preservation or enhancement of economic or intangible values associated with the Property, and does touch and concern, benefit and burden and run with the Property.

The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any subsequently adopted zoning ordinance which allows a less restricted use of the Property.

Section 6. Modifications. Declarant, or Association upon its activation specifically reserves the right to amend or change any part or all of the restrictions, covenants and conditions herein set out by the filing in the office of the Register of Deeds of Johnson County, Tennessee, upon approval by not less than sixty-seven percent (67%) of the voting membership. An amended declaration of covenants and restrictions, which such amendments, modifications or additions to the restrictive covenants contained in this declaration shall be made applicable to the conveyance of Lots made subsequent to the recording of such amended declaration of covenants and restrictions.

Section 7. Usage. Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.

Section 8. Effective Date. This Declaration shall become effective upon its recordation in the Public Records of Johnson County, Tennessee.

ARTICLE IX. RIGHTS RESERVED BY Trickett & Crowe Property Development, LLC, ITS SUCCESSORS AND ASSIGNS.

Section 1. Other Rights and Reservations. The omission of any right or reservation in this Article shall not limit any other right or reservation by Declarant, or Association upon its activation which is expressly stated in or implied from any other provision in these covenants.

Section 2. No Affirmative Obligation Unless Stated. Any reservation or right of Declarant, or Association upon its activation which is stated in or implied from these Covenants shall not give rise to any affirmative obligation or duty on the part of Declarant, or Association upon its activation unless expressly stated in the Covenants.

Section 3. Utility Easements. Declarant, or Association upon its activation reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement over, on, across and under each tract for the erection, maintenance, installation and use of electrical and telephone poles, wires, cables, conduits and other suitable equipment for the conveyance and use of electricity, telephone equipment or other public conveniences or utilities and Declarant, or Association upon its activation may further cut drain ways for surface water wherever and whenever such action may appear to Declarant, or Association upon its activation to be necessary in order to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by licensee of Declarant, or Association upon its activation to provide or maintain any such utility or service. In exercising the rights of this easement, all necessary work shall be located in an area not more than ten (10) feet from the property line of each tract. This reservation shall not be considered an obligation of Declarant, or Association upon its activation to provide and maintain any such utility or service.

IN WITNESS WHEREOF, Declarant has caused these presents to be executed as required by law on this, the day and year first above written.