

DECLARATION OF HORIZONTAL PROPERTY REGIME

AND MASTER DEED

FOR

TANSI RETAIL AND OFFICE PLAZA

This Declaration of Horizontal Property Regime and Master Deed is made and entered into by RICHARD D. CAHILL (hereinafter called the Grantor), for himself, his successors and assigns.

WITNESSETH:

WHEREAS, the Grantor is the legal title holder of certain real estate located in Cumberland County, Tennessee, which real estate is more fully described on Exhibit "A" attached hereto; and,

WHEREAS, the Grantor intends to and does hereby submit the above-described parcel of real estate, together with all buildings, structures, improvements, and permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto to the provisions of the Horizontal Property Act of the State of Tennessee, codified at Tennessee Code Annotated §66-27-101, et seq.; and,

WHEREAS, the Grantor further desires to establish for his own benefit and for the mutual benefit of all future owners or occupants of the property, or any part thereof, and intend that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest in the property shall hold said interest subject to certain rights, easements, and privileges in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct, and maintenance hereof, hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect

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the cooperative aspects of offices and retail stores on the property and are established for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the property.

NOW, THEREFORE, the Grantor, as the legal title holder and owner of the real estate described on Exhibit "A", and for the purposes above set forth, makes the following declarations and submissions as part of this Declaration of Horizontal Property Regime and Master Deed.

#### ARTICLE I

#### DEFINITIONS

As used herein, unless the context otherwise requires:

1. Act means the "Horizontal Property Act" of the State of Tennessee as codified at Tennessee Code Annotated §66-27-101, et seq., as the same may now exist or be amended or supplemented from time to time.

2. Assessment means that portion of the common expenses which is to be paid by a particular lot or parcel owner.

3. Association means the Tansi Retail and Office Plaza Owners Association, Inc., or similarly named entity, which shall be a Tennessee non-profit corporation. The Charter of the Association is of record in the Register's Office of Cumberland County, Tennessee at Book 1019, page 1655, et seq.

4. Board means the Board of Directors or Managers of the Association.

5. Buildings means those structures located on a lot and forming part of the property and containing the Units.

6. By-Laws means the By-Laws of the Association attached hereto as Exhibit "C" and made a part hereof, as amended from time to time. For purposes of the Act, all provisions contained in the body of this Declaration and Master Deed dealing with the

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administration and maintenance of the property shall be deemed to be part of the By-Laws.

7. Common Elements means all of the property not included in the lots or Units, and without limiting the generality of the foregoing, shall include those items defined as "General Common Elements" in the Act, including the following:

(a) All the property included in the description (Exhibit "A") not included within the bounds of any lot or Unit.

(b) All roofs; all exterior walls of the buildings, not including the portions thereof on the office side of the dry-wall or paneling of such walls; and, the portions between the office sides of the walls and partitions between offices. No unit owner shall be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, ceilings, windows, and doors bounding his Unit, nor shall such Owner be deemed to own the utilities running through his Unit which are utilized for, or serve more than one Unit, except as a right in common to share the same with the other Owners. A Unit Owner, however, shall be deemed to own and shall have the exclusive right, at his expense, and subject to such rules as the Association may from time to time adopt, to paint, repair, or otherwise refinish and decorate the inner surfaces of the walls, ceilings, windows, and doors bounding his Unit.

(c) The area between the Unit floor and the ground shall also be a common element.

(d) Any halls, corridors, lobbies, sidewalks, stairs, stairways, and entrances to and exits from any building but only if in a common area and not within the boundaries or perimeters of any Unit.

(e) All sewer and utility pipes located in common areas.

8. Easement Area means that property described on Exhibit "E" attached hereto which is owned by the Grantor. By the execution of this Declaration, and subject to the limitations herein

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set out, the Grantor specifically grants to the Association an easement over the easement area for the purpose of installing, inspecting, maintaining, repairing, and replacing delivery lines and septic system field lines which service the sewage disposal system for the improvements located on Exhibit "A". This easement shall cease twenty-four (24) months after central sewer or other available, adequate, and feasible sewage treatment facilities become available to the Exhibit "A" property. To the extent feasible, the Grantor may put the property encompassed by the Easement Area to such uses as are compatible with the easement herein granted.

9. Limited Common Elements means all Common Elements immediately contiguous to and serving exclusively a single lot or Unit or one or more adjoining lots or Units as a inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful occupants of such lot or Unit, either in this Declaration and Master Deed, on the plat or by the Board. Said Limited Common Elements shall include, but shall not be limited to, the following:

(a) All that portion of the property needed for ingress and egress to any lot or Unit.

(b) All other common areas and facilities as may be located within the bounds of such property or which serve only one lot or Unit.

10. Lot means that portion of the property containing one office or retail store unit. Lots are delineated as Units on the plat attached to this Declaration and Master Deed as Exhibit "B". Lot shall also mean the actual ground upon which a unit is situated.

11. Lot Owners means the person or persons whose estates or interests individually or collectively aggregate fee simple ownership of a lot, i.e., the actual ground upon which a Unit is situated and of the undivided interest in the common elements of the property, and shall be deemed the same as a "co-owner" under the Act. Unless specifically provided otherwise herein, the Grantor

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shall be deemed a lot owner until such time as the Grantor is divested of legal title in all lots.

12. Majority or Majority of the Lot Owners means the owners of more than fifty (50%) per cent of the voting rights of the lot owners.

13. Master Deed means this instrument, by which the property is submitted to the provisions of the Act, as hereinafter provided, as amended from time to time, including all Exhibits hereto.

14. Mortgage means a valid recorded first deed of trust securing an indebtedness owed to an individual, lending institution, or any other person or entity.

15. Mortgagee means the beneficiary of any such deed of trust which has a valid and enforceable security interest in the property.

16. Occupant means a person or persons in possession of a lot or unit, regardless of whether said person is a lot or unit owner.

17. Parcel means the plat or survey of the parcel submitted to the provisions of the Act showing the number of each lot or unit, expressing its area, location, and other data necessary for identification, said plat being attached to this Declaration and Master Deed as Exhibit "B".

18. Property means all the land, property, and space comprising the parcel, and all improvements and structures erected, constructed or contained therein or thereon, including the buildings and all easements, rights and furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of the lot or unit owners, submitted to the provisions of the Act. The property is described on Exhibit "A" attached hereto.

19. Record or Recordings refers to the record or recording in the office of the Register of Deeds for Cumberland County, Tennessee.

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20. Reserved Areas means property contiguous or nearly contiguous to the property described on Exhibit "A" owned and reserved by the Grantor which may be used for future development or future usage in conjunction with this Project. The said reserved areas which are described on Exhibit "D" attached hereto shall remain the property of and the liability of the Grantor for maintenance and upkeep unless and until incorporated into the condominium regime. When, and if, the reserved areas are annexed into the regime, which the Grantor specifically reserves the right to do, and when, and if, construction of additional units in the reserved areas is fully completed, the areas within the reserved areas not containing a lot or unit shall then become common and/or limited common elements.

21. Unit means an enclosed space consisting of one or more rooms occupying part of a floor in the building, which enclosed space is not owned in common with the lot or unit owners of other lots or units. Each lot or unit is numbered as shown on the plat, and the boundaries of each unit shall be and are the interior finished surfaces of its perimeter walls, floor, and ceilings and a unit includes both the portion of the buildings so described and the air space so encompassed. Any unit may be jointly or commonly owned by more than one person. A unit is that portion of a lot that contains the office or retail store structure, or other improvements constructed within a lot. Mechanical equipment and appurtenances located within or adjacent to any unit and designated to serve only that unit, including but not limited to, heating and air conditioning equipment, appliances, plumbing, electrical wiring, fixtures, and the like shall be considered Common Property.

22. Unit Owners means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit and of the undivided interest in the Common Elements appurtenant thereto and shall be deemed the same as a "co-owner" under the Act. The term "unit owner", "co-owner", and "lot owner" may be used interchangeably herein.

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ARTICLE II

SUBMISSION OF PROPERTY TO THE ACT

The Grantor, as the legal title holder and owner in fee simple of the parcel, expressly intends to, and by recording this Declaration and Master Deed, does hereby submit and subject the parcel and the property, described on Exhibit "A", to the provisions of the Horizontal Property Act of the State of Tennessee and hereby establish a horizontal property regime to be known as the Tansi Retail and Office Plaza, provided, however, easements, are hereby reserved in the property by the Grantor for the following purposes and uses:

(a) An easement is reserved by the Grantor and/or the Association to use the Common Property to relocate, expand, modify, reduce, or extend driveways, relocate sewers, utility lines, or service connections in order to serve the existing buildings of said property and reserved areas and in order to properly maintain and repair the buildings located therein;

(b) The Grantor and/or the Association shall have the unrestricted right, at his or their sole expense, to relocate, expand, modify, reduce, or extend existing driveways, parking areas and yard, and to construct, expand, enlarge or relocate sewers, utility lines or service connections, in order to serve existing buildings. The unrestricted rights reserved by the Grantor in this paragraph shall be fully assignable.

(c) An easement is reserved by the Grantor and/or the Association for the purpose of performing repair and maintenance services on any building, including but not limited to, the repair or plumbing, electrical, and mechanical equipment.

ARTICLE III

PLAT

The Plat attached hereto as Exhibit "B" contains a depiction of the units by number and their location on the property described on Exhibit "A".

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**ARTICLE IV**

**LOTS; RESTRICTIONS ON USE AND RESUBDIVISION**

The legal description of each lot or unit shall consist of the identifying number or symbol of such lot as shown by corresponding unit number on the plat as heretofore referenced. Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a lot by its corresponding unit identifying number or symbol as shown on the plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no lot owner shall, by deed, plat, court decree, or otherwise, subdivide, resubdivide, or in any other manner cause a lot to be separated into any tracts or parcels different from the whole lot or unit as shown on the plat.

**ARTICLE V**

**OWNERS ASSOCIATION**

There has been formed an Association having the name Tansi Retail and Office Plaza Owners Association, Inc., a Tennessee non-profit corporation, which Association shall be the governing body for the affairs of the condominium regime.

**ARTICLE VI**

**PROPORTIONATE SHARE**

(a) The title and interest of each owner of a lot in the common areas and facilities and their proportionate share of the common expenses, as well as the proportionate representation for voting purposes in the Association, shall be set forth in the By-Laws of Tansi Retail and Office Plaza Owners Association, Inc., which are attached as Exhibit "C" to this Declaration and Master Deed.

The proportionate representation for voting purposes and proportionate share in the common profits and expenses may be limited or changed in accordance with the amendment provisions of the By-Laws attached hereto as Exhibit "C".

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(b) Grantor shall retain and vote the shares for each unit until such unit is sold.

#### ARTICLE VII

##### EXPANSION, CONTRACTION, AND TERMINATION OF REGIME

The Grantor may, in accordance with his reserved rights herein, construct new units within the Reserved Areas. The Grantor may also choose to build less than all of the units depicted on Exhibit "B", but in no event shall the Grantor construct less than Units 1 through 5. Should the Grantor choose to expand the regime, he shall file an Amended Declaration bringing the additional reserved properties under the operation of this Declaration. Should the Grantor choose to contract the size of the regime, likewise he shall file an Amended Declaration stating the maximum number of units which shall compromise the regime. The Grantor also may add property to the condominium regime that is not presently shown as Reserved Areas and which is not contiguous to the property described on Exhibit "A". As long as the Grantor owns all units in the condominium regime, he may choose to terminate the condominium by placing of record an appropriate document in the Register's Office of Cumberland County, Tennessee.

#### ARTICLE VIII

##### PARTITION OR DIVISION PROHIBITED

The general and/or limited common areas and facilities shall remain undivided and no owner shall bring any action for partition or division.

The percentage of the undivided interest in the common areas and facilities established herein shall not be changed, except (i) with the unanimous consent of all of the owners expressed in an amendment to this Declaration and Master Deed recorded in the Register's Office of Cumberland County, Tennessee; or, (ii) by the

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addition of new units in the reserved areas or in property not presently part of the condominium regime, if any.

The undivided interest in the common areas and facilities shall not be separated from the unit to which it appertains and shall be deemed conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance, deed of trust, or other instrument.

#### **ARTICLE IX**

#### **COMPLIANCE**

Each owner shall comply with the provisions of this Declaration and Master Deed, the By-Laws, and Rules and Regulations adopted by the Board of Directors or the Members of the Association or its representatives, as lawfully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover damages or for injunctive relief.

#### **ARTICLE X**

#### **GRANTOR CONTROL**

As long as the Grantor owns property entitling him to cast at least six (6) votes in the affairs of the Association as shown in the By-Laws attached as Exhibit "C", the Grantor shall have the right to appoint the members of the Board of Directors of the Tansi Retail and Office Plaza Owners Association, Inc., and shall further have the right to amend this Declaration of Horizontal Property Regime, Master Deed and Bylaws, provided, however, that this right shall expire twenty-four (24) months from the date of this instrument, irrespective of the number of votes the Grantor is entitled to cast by virtue of his property ownership. For the purposes of the six (6) vote calculation noted above, the condominium shall be deemed to have the number of votes shown in the

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By-Laws attached as Exhibit "C", unless the Grantor has filed an Amendment contracting the size of the regime in accordance with Article VIII.

**ARTICLE XI**

**INSURANCE**

The Association shall be responsible for insuring the improvements on Exhibit "A" with fire and extended coverage insurance in such amounts, in such form and with such company, as the Association deems appropriate, but never in an amount less than the value of improvements as determined by the Assessor of Property for Cumberland County, Tennessee. The Association shall also obtain such comprehensive public liability insurance insuring the Association and individual unit owners in such amounts as the Board of the Association deems appropriate. The cost of the insurance described above shall be deemed a common expense.

In the event of total or partial destruction of any and all of the improvements on the Exhibit "A" properties, the proceeds of insurance shall be applied to the repair or reconstruction of the improvements in the same proportion as they are derived.

Each unit owner shall be responsible for insuring any personal property, contents, or merchandise in his individual unit, and the Association shall have no responsibility for insuring the contents or personal property of any Owner.

**ARTICLE XI**

**MISCELLANEOUS**

(a) Where the mortgagee of a first deed of trust of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the first deed of trust, such title owner, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association chargeable to said

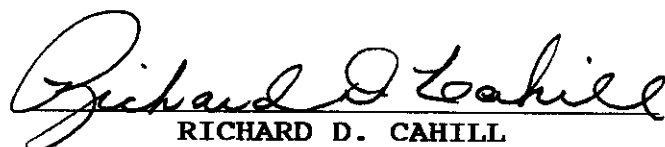
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unit, and due prior to the acquisition of title to such unit. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners, including such persons or entities acquiring title, his successors and assigns.

(b) In a voluntary conveyance of a unit, the Grantee of the unit shall be jointly and severally liable with the Grantor for any and all unpaid assessments due the Association owed by the Grantor for his share of the common expenses up to the time of the conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee.

(c) For a valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Sandra Jean Cahill, wife of Richard D. Cahill, the Grantor herein, joins in the execution of this instrument to subject any interest which she may have in the property as the wife of Richard D. Cahill to the Declaration under the terms and provisions herein set out.

IN WITNESS WHEREOF, the parties hereto have executed this Declaration and Master Deed on this the 30th day of July, 1998.

  
RICHARD D. CAHILL

  
SANDRA JEAN CAHILL

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State of Tennessee )  
 )  
County of Cumberland )

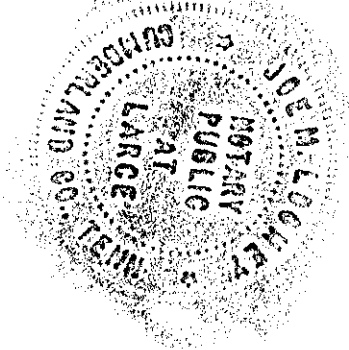
Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared Richard D. Cahill and wife, Sandra Jean Cahill, the within named Grantor with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who acknowledged the execution of the within and foregoing instrument as their free act and deed for the purposes therein contained.

WITNESS my hand and signature on this 30th day of July, 1998.



NOTARY PUBLIC

My commission expires: 9/10/2001



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EXHIBIT "A"

Lying and being in the THIRD CIVIL DISTRICT of Cumberland County, Tennessee, bounded and described as follows: 149 - 13

**BEGINNING** on an newly placed  $\frac{1}{2}$ " rebar located in the Southern right-of-way of Deer Run Circle, said point being the Northeast corner of a 2.00 acre tract; thence with said road right-of-way for the next four (4) courses and distances: (1) South  $82^{\circ} 09' 41''$  East, 100.13 feet to the point of curve of a curve with a radius of 100.00 feet; (2) thence with the arc of said curve a distance of 133.82 feet to the point of tangent of said curve, the chord of said curve being South  $43^{\circ} 49' 30''$  East, 124.05 feet; (3) thence South  $05^{\circ} 29' 21''$  East, 83.16 feet to an existing  $\frac{1}{2}$ " rebar; and, (4) South  $15^{\circ} 03' 23''$  East, 97.65 feet to a point in the edge of the pavement, said point being the Northeast corner of a 0.17 acre tract belonging to the Craft Shop; thence with lines of the Craft Shop 0.17 acre tract for the next seven (7) courses and distances: (1) South  $82^{\circ} 02' 10''$  West, 29.07 feet to a point; (2) South  $08^{\circ} 22' 56''$  West, 14.73 feet to a point; (3) South  $08^{\circ} 33' 28''$  West, 75.15 feet to a point; (4) South  $03^{\circ} 28' 26''$  West, 13.36 feet to a point; (5) South  $27^{\circ} 51' 56''$  West, 28.88 feet to a point; (6) South  $09^{\circ} 56' 05''$  West, 23.40 feet to a point; and, (7) South  $16^{\circ} 50' 43''$  East, 29.27 feet to a point in the Northern right-of-way of Cravens Drive; thence leaving said Craft Shop tract and with the Northern right-of-way of Cravens Drive, North  $87^{\circ} 57' 24''$  West, 226.90 feet to an existing  $\frac{1}{2}$ " rebar, said point being the Southeast corner of a 1.105 acre tract; thence leaving said road right-of-way and with the Eastern line of said 1.105 acre tract North  $07^{\circ} 33' 07''$  East, 250.00 feet to an existing  $\frac{1}{2}$ " rebar, said point being the Northeast corner of said 1.105 acre tract and a corner of the first mentioned 2.00 acre tract; thence with the Eastern line of said 2.00 acre tract, for the next two courses and distances: (1) proceeding North  $07^{\circ} 33' 07''$  West, 16.36 feet to a point; (2) proceeding North  $07^{\circ} 33' 07''$  West, 154.40 feet to the point of beginning, containing 2.19 acres, more or less, per survey of O. D. Pugh, Jr., RLS 699, dated February 20, 1998.

Being part of the same property acquired by Richard D. Cahill by deed dated January 21, 1997, from Lake Tansi Village, Inc., which deed was recorded on February 21, 1997, in Deed Book D526, page 315-317, Register's Office, Cumberland County, Tennessee.

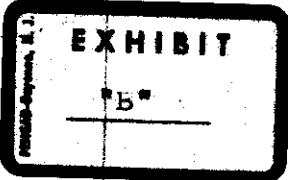
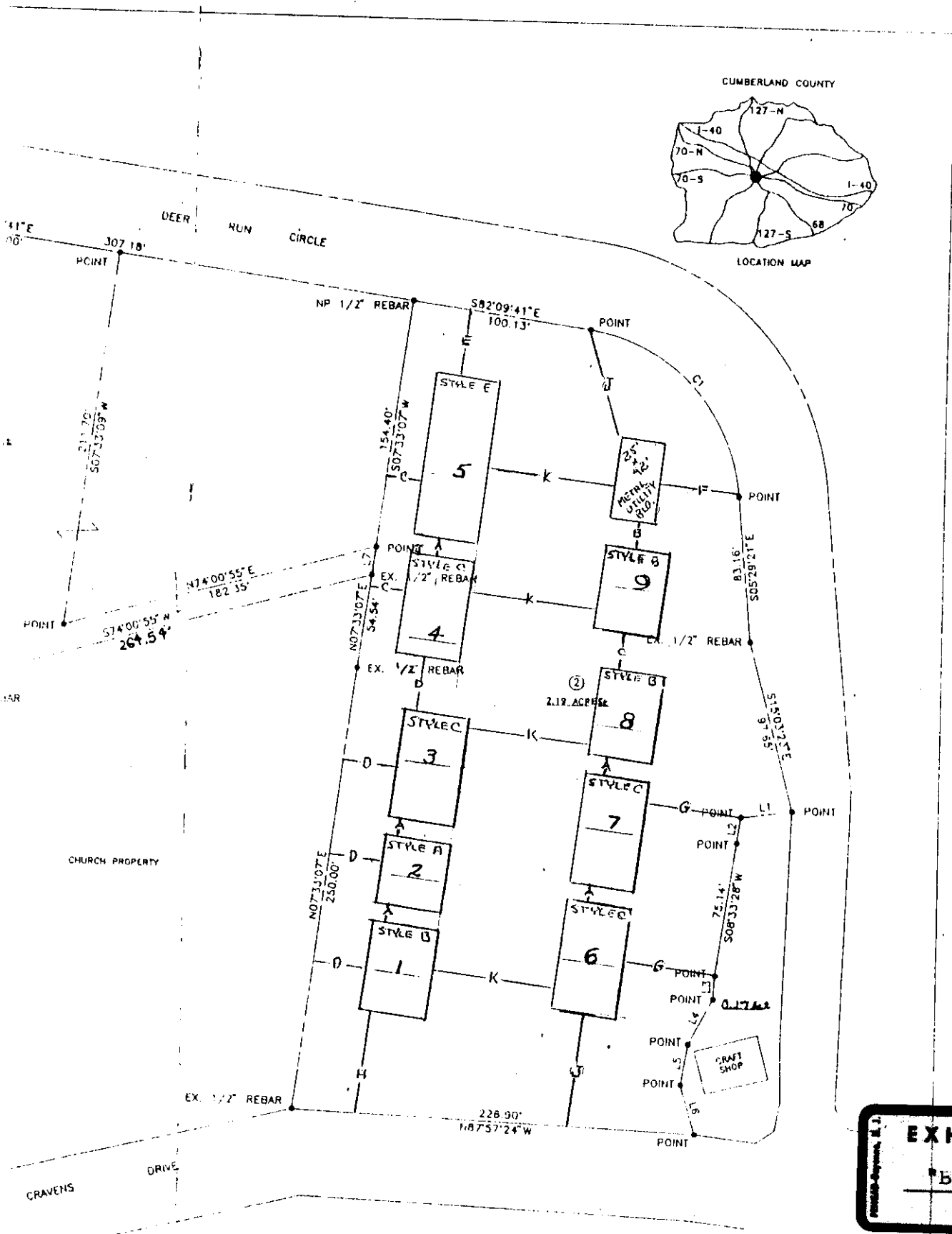
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LINE #	BEARING	DISTANCE
L1	S82°02'10"W	29.07'
L2	S08°22'56"W	14.73'
L3	S03°28'26"W	13.36'
L4	S27°51'56"W	26.87'
L5	S09°58'05"W	23.40'
L6	S16°50'43"E	29.27'
L7	S07°33'07"W	16.36'

LINE	LENGTH
A	10'
B	15'
C	20'
D	30'
E	35'
F	45'
G	53'
H	58'
J	63'
K	70'

STYLE A	30' X 40'
STYLE B	30' X 50'
STYLE C	30' X 60'
STYLE E	30' X 70'
UTILITY	25' X 12'

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PROPERTY OF  
 OWNER: CAHILL, RICHARD D.  
 DEED BOOK: 526, PAGE: 313

THIRD CML DISTRICT OF CUMBERLAND COUNTY, TENNESSEE

TAX MAP: 148	DATE: FEBRUARY 20, 1995	SHEET: 1 OF 1
PARCEL: 13.0(PORT)	SCALE: 1" = 50'	DRAWING NO.: 94255A
GROUP:		
DRAWN BY: ROBIN POWERS		

BY-LAWS

OF

TANSI RETAIL AND OFFICE PLAZA

ARTICLE I

LOCATION

The development to be administered under these By-Laws is located at Lake Tansi Village, Cumberland County, Tennessee, and more is particularly shown on a plat which is attached to the Horizontal Property Regime and Master Deed and shall be subject to the Horizontal Property Act of Tennessee, codified at Tennessee Code Annotated §66-27-101, et seq., as from time to time amended.

ARTICLE II

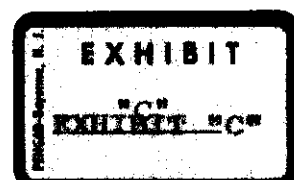
APPLICATION AND ACCEPTANCE

All present or future owners, tenants, future tenants, or their employees, or any other persons who might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws. The acquisition or rental of any of the lots and/or units of the project or occupancy of any of said units shall signify that these By-Laws are accepted, ratified, and obligatory, and will be complied with.

These By-Laws and each change made in accordance herewith and pursuant to Tennessee Code Annotated §§66-27-111 and §66-27-112 are and shall be covenants running with each unit and binding on each successive co-owner, lessee, or mortgagee of each unit in the condominium, including any units annexed under this condominium regime in accordance with the Declaration and Master Deed submitted simultaneously herewith.

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This instrument prepared by:  
LOONEY & LOONEY, ATTYS (C1-DEC)  
Crossville, Tennessee 38557





### ARTICLE III

#### VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting: The Owners of each lot shall have one (1) vote, provided, however, that the Owner of Unit 5 shall be entitled to two (2) votes.

Section 2. Majority of Owners: As used in these By-Laws, the term "majority of owners" shall mean those owners holding over fifty (50%) percent of the votes.

Section 3. Quorum: Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of owners as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies: Votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association a reasonable period of time before a meeting at which they will be used.

### ARTICLE IV

#### ADMINISTRATION

Section 1. Association Responsibilities: The owners of the lots or units will be Members of the Tansi Retail and Office Plaza Owners Association, Inc. (the Association). The Association shall have the responsibility for administering the project, approving the annual budget, establishing and collecting assessments and arranging for the management of the project. The Association shall be managed by its Board of Directors. There shall be one (1) member for each lot or unit in the condominium.

In the event that an owner of a lot is a corporation, partnership, limited liability company, or other such entity, then that entity shall designate one (1) person as that entity's member of the Association.

In the event the ownership of a lot is in more than one individual, the individuals owning the lot or unit shall designate one (1) person to serve as the member of the Association.

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**Section 2. Place of Meeting:** Meetings of the Association shall be held at the principal office of the project, or such other suitable place convenient to the owners as may be designated by the Board of Directors.

**Section 3. Annual Meetings:** The first annual meeting of the Association shall be held at a time and place declared by the Grantor. Thereafter, the annual meeting shall be held on the third Monday in September, of each year unless that date is a holiday, in which event, the annual meeting shall be held on the next regular business day that is not a holiday. At such meetings, there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Section 5 of Article V of these By-Laws. The members may also transact such other business of the Association as may properly come before the meeting.

**Section 4. Special Meetings:** It shall be the duty of the President to call a special meeting of the members as directed by resolutions of the Board of Directors, or upon a petition signed by a majority of the members having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 5. Notice of Meetings:** It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each owner of record, at least seven (7) days prior to such meeting. Each lot or unit owner shall be responsible for keeping the Association informed as to whom is the designated voting member for that particular lot or unit and the appropriate address of that member. The mailing of a notice to the designated member at the address on file with the Secretary of the Association shall be considered adequate notice.

**Section 6. Adjourned Meetings:** If an annual or special meeting of members is adjourned to a different date, time or place, notice need not be given of the new date, time, or place, if the new

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date, time, or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed under Tennessee Code Annotated §48-57-107, however, notice of the adjourned meeting must be given to the members of record on the new record date. At the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting.

**Section 7. Conduct of Meetings.** The President or his designee shall preside over all meetings of the Association. The President shall be entitled to vote on all matters coming before a membership meeting. The Secretary shall keep minutes of all meetings of the Association, and shall retain said minutes in a permanent Minute Book. The latest edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with these Bylaws or any special rules or regulations adopted by the Board.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

**Section 1. Number and Qualifications:** The affairs of the Association shall be governed by a Board of Directors consisting of three (3) natural persons. A Board member need not be a lot or unit owner. All corporate powers shall be exercised by, or under the authority of, and the affairs of the Association shall be managed under the direction of the Board of Directors.

**Section 2. Powers and Duties:** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by Tennessee law, the Declaration of Horizontal Property Regime, Master Deed, or by these By-Laws.

**Section 3. Other Duties:** In addition to duties imposed by these By-Laws, or by resolutions of the Association, the Board of Directors shall be responsible for the following:

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- (a) Care, upkeep, operation and maintenance of the project and the common areas and facilities and the limited common areas and facilities.
- (b) Collection of assessments from the co-owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the limited common areas and facilities.

**Section 4. Management Agent:** The Board of Directors may employ for the Association a Management Agent or firm under such terms and conditions as the Board deems appropriate, and to perform such duties and services as the Board shall authorize, including but not limited to, the duties listed in Section 3 of this Article.

**Section 5. Election and Term of Office:** The Grantor shall be entitled to name the members of the Board of Directors during the development period, which shall be defined as the sooner of twenty-four (24) months from the date of the Declaration creating the condominium, or as long as the Grantor owns property entitling him to cast at least six (6) votes in the affairs of the Association. For the purposes of the six (6) vote calculation noted above, the condominium shall be deemed to have the number of votes as shown herein, unless the Grantor has filed an Amendment or Supplemental Declaration contracting the size of the regime in accordance with Article VIII of the Declaration. At the first annual meeting of the Association after the development period, the existing Board of Directors of the Association shall create a mechanism for electing new Directors for staggered three (3) year terms so that one (1) Director is elected for a three (3) year term each year. Such procedure may require, during a transition period, more than three (3) Directors. A Director shall serve until his successor is elected.

Until the Directors are appointed by the Grantor as herein provided, the Grantor shall be charged with the responsibility of directing the affairs of the Association.

**Section 6. Vacancies:** Vacancies in the Board of Directors caused by any reason, other than the removal of a Director

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by a vote of the Association, shall be filled by vote of the remaining Director or Directors, and each person so elected shall take office immediately and shall complete the term of the Director whose resignation or removal created the vacancy.

**Section 7. Removal of Directors:** At any regular or special meeting duly called, any one or more of the Directors may be removed with, or without, cause by a majority of the owners and a successors may then and there be elected to fill the vacancy, thus, created. Any Directors whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

**Section 8. Organization Meeting:** The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election, at such place as shall be fixed by the Board of Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

**Section 9. Regular Meetings:** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day named for such meeting.

**Section 10. Special Meetings:** Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally, by mail, telephone, or facsimile transmission, which notice shall state the time, place, and purpose of the meeting. No business may be transacted at such special meeting except that stated in the notice of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice, on the written request of any two (2) Directors.

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**Section 11. Waiver of Notice:** Before, or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**Section 12. Board of Directors Quorum:** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors there are less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 13. Fidelity Bonds:** The Board of Directors may, but shall not be required to, require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall constitute a common expense to be paid by the Association.

**Section 14. Liability of the Board of Directors:** The members of the Board of Directors shall not be liable to the co-owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The co-owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been in bad faith or contrary to the provisions of the Declaration and

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Master Deed or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any co-owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder, as his interest in the common elements bears to the interest of all the co-owners in the common elements. Every agreement made by the Board of Directors or by the managing agent or by the manager on behalf of the Association shall provide that the members of the Board of Directors or the managing agent, or the manager, as the case may be, are acting only as agents for the council of co-owners and shall have no personal liability thereunder, except as co-owners, and that each co-owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interest of all co-owners in the common elements.

## ARTICLE VI

### OFFICERS

**Section 1. Designation:** The principal officers of the Association shall be a President, Vice-President, and a Secretary/Treasurer. The Directors may appoint such other officers as, in their judgment, may be necessary and they need not be owners of units or members of the Board of Directors.

**Section 2. Election of Officers:** The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

**Section 3. Removal of Officers:** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor

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elected at any regular meeting of the Board of Directors, or at any such meeting of the Board called for such purpose.

**Section 4. President:** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including but not limited to, the power to appoint committees from among the owners from time to time as he may, in his discretion, decide to be appropriate to assist in the conduct of the affairs of the Association.

**Section 5. Vice-President:** The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

**Section 6. Secretary/Treasurer:** The Secretary/Treasurer shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and, he shall, in general, perform all the duties incident to the office of the Secretary. He shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

## **ARTICLE VII**

### **OBLIGATIONS OF THE UNIT OWNERS**

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**Section 1. Determination of Common Expenses and Fixing of**

**Common Charges:** The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the co-owners to meet the expenses of administration and of maintenance and repair of the general common elements; and, in the proper case, of the limited common elements of the property, and any other expenses lawfully agreed upon; and, the Board of Directors shall allocate and assess such common charges among the co-owners according to the schedule contained in Article XI. The allocations shall be applied uniformly to all co-owners. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors, or, at the option of the Board, the insurance may be billed individually and apart from the monthly common expenses. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the property, including without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Board of Directors shall advise all co-owners promptly, in writing, of the amount of common charges payable by each of them, respectively, as determined by the Board of Directors, as aforesaid, and shall furnish copies of each budget on which such common charges are based to all co-owners, and, if requested to do so, their mortgagees.

**Section 2. Assessments:** There is hereby created an annual general assessment as from time to time established by the Board of Directors to be levied against each respective lot or unit. Each owner of a lot or unit, by acceptance of a deed or contract for a deed, whether or not it shall be so expressed in such instrument, is deemed to covenant and agree to pay to the Association, in accordance with the provisions hereof, all annual general

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assessments and any special assessments provided for herein, on the due dates as established by the Board of Directors. Such assessments, together with late fees, simple interest at a rate not to exceed the maximum rate permitted by law, costs, and reasonable attorney fees as incurred to enforce and collect such assessments shall be a continuing lien upon the affected lot or unit. The recording of this document shall constitute the record notice of the existence of the lien and no further recordation of any claim of lien shall be required, provided, however, that the Association may record a Notice of Lien in the Register's Office of Cumberland County, Tennessee to evidence its claim of lien. Each such assessment, together with late fees, interest, costs, and reasonable attorney fees actually incurred, shall also be the personal obligation of the person or entity who was the owner of such lot or unit at the time the assessment or other charge came due, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. The general assessment lien provided for herein may be foreclosed by the Association in the manner provided by law, and by acceptance of a deed to a unit in the Condominium, the condominium owner is deemed to have waived any right of redemption provided by Tennessee law, including, without limitation, the statutory right of redemption codified at Tennessee Code Annotated §66-8-101, et seq.

**Section 3. Maintenance and Repair:**

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which, if omitted, would affect the project in its entirety, or a part belonging to other owners. An owner failing to make such repairs shall be responsible for any damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the unit, such as water, electricity, gas, power, sewage, telephones, sanitary installations, doors, windows, and all other accessories belonging to the unit area, shall be at the owner's expense.

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(c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

(d) Should an owner fail to make necessary repairs, the Association shall be allowed to do so and shall be allowed to charge back and assess to the owner for those repair costs. The Association may use the lien and collection mechanisms contained herein to collect any such repair costs.

**Section 4. Use of Units and Internal Changes:**

(a) All units shall be utilized for office or retail store purposes only. No residential use of any unit shall be allowed.

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without the prior written consent of the Association; an owner may notify the Association, in writing through the Management Agent, if any, or through the President of the Association if no Management Agent is employed, of any proposed modification or alteration. The Association shall have the obligation to answer within thirty (30) days, and failure to do so within the stipulated time, shall mean that there is no objection to the proposed modification or alteration.

**Section 5. Right to Entry:** An owner shall grant the right of entry to the Management Agent or to any other person authorized by the Board of Directors or the Association in case of any emergency originating in or threatening his or other units, whether the owner is present at the time or not.

**Section 6. Rules of Conduct:**

(a) No owner shall post any signs, advertisements or posters of any kind in or on the project, except as authorized by the Association.

(b) No owner shall throw garbage or trash outside the disposal installations provided for such purposes in service areas.

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(c) Owners agree to abide by the reasonable regulations of the Board of Directors which shall from time to time be promulgated.

(d) No owner, resident, or lessee shall install wiring for electrical or telephone installations, television antennas, machines, or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project, except as authorized by the Association.

## ARTICLE VIII

### AMENDMENTS

These By-Laws may be amended by the Members of the Association in a duly constituted meeting for such purpose. No amendment shall take effect unless approved by owners representing at least fifty (50%) percent of the total voting power of all lots or units in the project as shown in the Declaration, Master Deed, and these By-Laws.

## ARTICLE IX

### MORTGAGEES

Section 1. Notices: An owner who mortgages his lot or unit shall notify the Association, through the Management Agent, if any, or the President of the Board of Directors in the event there is no Management Agent, giving the name and address of his mortgagee, and the Association shall maintain such information in its books and records.

Section 2. Notice of Unpaid Assessments: The Association shall, at the request of a mortgagee of a unit, report any unpaid assessments due from the owner of such unit.

## ARTICLE X

### COMPLIANCE

These By-Laws are written fully intending to comply with the requirements of the Horizontal Property Act of the State of Tennessee.

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In the case any of these By-Laws conflict with the provisions of said statute or the Declaration and Master Deed, it is hereby agreed and accepted that the provisions of the statute or of the Declaration and Master Deed will control.

#### ARTICLE XI

#### ENFORCEMENT

Each owner and each occupant of a unit in the condominium shall comply strictly with the provisions of the Declaration of Horizontal Property Regime, Master Deed, Bylaws, and Rules and Regulations promulgated and adopted by the Board, as any of those documents may be amended from time to time. In the event of a violation of any of the foregoing, the Association shall be entitled to pursue all enforcement remedies provided by the condominium documents or applicable law against the owner, his tenants, or related parties. In the event of a violation, breach, or threatened violation or breach of any of the provisions of these documents, the Association or any aggrieved owner, jointly and severally, shall have the right to proceed at law or in equity to compel compliance therewith or to prevent or enjoin a threatened violation or breach thereof. All reasonable costs incurred by the Association in the enforcement of the provisions of the condominium documents, including without limitation, reasonable attorney fees and costs shall be paid by the violating owner and shall be collectible by suit, judgment lien, and foreclosure as provided elsewhere herein. No delay, failure, or omission on the part of the Association in exercising any right, power, or remedy herein granted shall, as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto bar or effect its exercise or enforcement.

#### ARTICLE XII

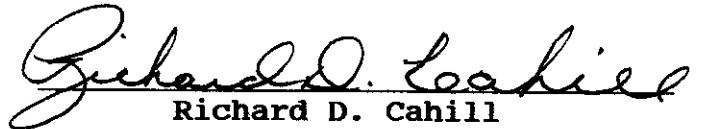
#### SCHEDULE OF VOTES, PERCENTAGES OF COMMON ELEMENTS, AND COMMON EXPENSES

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The following is a schedule of votes and the percentages of ownership of the common elements and liability for the common expenses that each lot or unit owner has in the Condominium, to-wit:

<u>Unit No.</u>	<u>Number of Votes</u>	<u>Percentage of Ownership of Common Elements and Liability for Common Expenses</u>
1	1	9.6%
2	1	7.8%
3	1	11.5%
4	1	11.5%
5	2	17.4%
6	1	11.5%
7	1	11.5%
8	1	9.6%
9	1	9.6%
	<u>10</u>	<u>100.0%</u>

Executed this 30<sup>th</sup> day of July, 1998.

  
Richard D. Cahill

  
Sandra Jean Cahill

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EXHIBIT "D"

RESERVED PROPERTY

Lying and being in the THIRD CIVIL DISTRICT of Cumberland County, Tennessee, being more particularly described as follows:

**BEGINNING** on an existing  $\frac{1}{2}$ " rebar located in the Northern right-of-way of Cravens Drive, said point being the Southwest corner of a 1.105 acre tract; thence with said road right-of-way South  $82^{\circ} 54' 02''$  West, 66.82 feet to an existing 1" iron rod; thence leaving said road right-of-way North  $07^{\circ} 33' 09''$  East 574.31 feet to an existing 1" pipe located in the Southern right-of-way of Deer Run Circle; thence with said road right-of-way South  $82^{\circ} 09' 41''$  East, 307.18 feet to a newly placed  $\frac{1}{2}$ " rebar, said point being the Northwest corner of a 2.19 acre tract called Tract No. 2, which is a portion of same original tract; thence leaving road right-of-way and with the Western line of said 2.19 acre tract South  $07^{\circ} 33' 07''$  West, 170.76 feet to an existing  $\frac{1}{2}$ " rebar, said point being the Northeast corner of the first mentioned 1.105 acre tract; thence with lines of said 1.105 acre tract for the next two (2) courses and distances: (1) South  $74^{\circ} 00' 55''$  West, 264.54 feet to an existing  $\frac{1}{2}$ " rebar; (2) South  $07^{\circ} 33' 08''$  West, 295.83 feet to the point of beginning, containing 2.00 acres, more or less, per survey of O. D. Pugh, Jr., RLS 699, dated February 20, 1998.

**INCLUDED** in the above description but specifically **EXCLUDED** from this description is the following described tract which will be used for septic tank field line easement purposes, which is more particularly described as follows:

**BEGINNING** on an existing 1" pipe located in the Southern right-of-way of Deer Run Circle, said point being the Northwest corner of the above mentioned original 2.0 acre tract; thence with said road right-of-way South  $82^{\circ} 09' 41''$  East, 140.00 feet to a point; thence leaving said road right-of-way South  $07^{\circ} 33' 09''$  West, 211.70 feet to a point; thence North  $74^{\circ} 00' 55''$  East, 182.35 feet to a point in the Eastern line of the original 2.0 acre tract; thence with said line, South  $07^{\circ} 33' 07''$  West, 16.36 feet to an existing  $\frac{1}{2}$ " rebar, said point being the Northeast corner of a 1.105 acre tract that adjoins the original 2.0 acre tract; thence with a common line of the 1.105 acre tract and the original 2.0 acre tract South  $74^{\circ} 00' 55''$  West, 264.54 feet to an existing  $\frac{1}{2}$ " rebar; thence leaving said 1.105 acre tract and crossing the original 2.0 acre tract, continuing South  $74^{\circ} 00' 55''$  West, 70.51 feet to a point in the Western line of the original 2.0 acre tract; thence with said line, North  $07^{\circ} 33' 09''$  East, 289.74 feet to the point of beginning, containing 0.90 acre tract, more or less, per survey of O. D. Pugh, Jr., RLS 699, dated February 20, 1998.

**EXHIBIT "E"**

**EASEMENT AREA**

Lying and being in the THIRD CIVIL DISTRICT of Cumberland County, Tennessee, being more particularly described as follows:

**BEGINNING** on an existing 1" pipe located in the Southern right-of-way of Deer Run Circle, said point being the Northwest corner of the above mentioned original 2.0 acre tract; thence with said road right-of-way South 82° 09' 41" East, 140.00 feet to a point; thence leaving said road right-of-way South 07° 33' 09" West, 211.70 feet to a point; thence North 74° 00' 55" East, 182.35 feet to a point in the Eastern line of the original 2.0 acre tract; thence with said line, South 07° 33' 07" West, 16.36 feet to an existing ½" rebar, said point being the Northeast corner of a 1.105 acre tract that adjoins the original 2.0 acre tract; thence with a common line of the 1.105 acre tract and the original 2.0 acre tract South 74° 00' 55" West, 264.54 feet to an existing ½" rebar; thence leaving said 1.105 acre tract and crossing the original 2.0 acre tract, continuing South 74° 00' 55" West, 70.51 feet to a point in the Western line of the original 2.0 acre tract; thence with said line, North 07° 33' 09" East, 289.74 feet to the point of beginning, containing 0.90 acre tract, more or less, per survey of O. D. Pugh, Jr., RLS 699, dated February 20, 1998.

State of Tennessee, County of CUMBERLAND  
Received for record the 30 day of  
JULY 1998 at 3:44 PM. (REC# 198902)  
Recorded in official records GENERAL IN  
Book 1019 pages 2321-2352  
State Tax \$ .00 Clerks Fee \$ .00,  
Recording \$130.00, Total \$ 130.00,  
Register of Deeds JUDY GRAHAM SWALLOWS  
Deputy Register ADRIA C. GOSS

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